UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 6- P *
:*gz<3:tJ <-LJE >TjBZ7g *-? r*ivp?Az
FEDERAL TRADE

3. Venue in this District is proper under 15 U.S.C. § 53(b) and 28 U.S.C. 5s 1391(b)
and (c).
PLAINTLFF
4. Plaintiff, the Federal Trade Cornmission, is an independent agency of the United
States Government created by statute. 15 U.S.C. $5 41 et seq. The Commission is charged, inter alia,with enforcement of Section 5(a) of the FTC Act, 15 U.S.C. 5 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The Gomrnission is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the T;TC Act and to secure such equitable relief as may be appropriate.
DEFENDANTS
5. Defendant Nationwide Connections, Inc. ("Nationwide") is a Florida corporation
with its principal place of business located at 215 Fifth Street, Suite 306, West Palm Beach, Florida 33401. At various times, Nationwide also has represented its principal place of business
to be 222 Lakeview Avenue, Suite 160, Box 157, West Palm Beach, Florida 33401. Defendant
Nationwide transacts or has transacted business in this District.

6. Defendant Access One Communications, Inc. ("Access One") is a Florida
corporation with its principal place of business located at 222 Lakeview Avenue, Suite 160, Box
157,West Pdm Beach, Florida 33401. Defendanl Access One trmsacts or has transacted
business in this DistfieTj�0 Tc 2.948 0 Td�(One)Tj�1.881 " 3.684 0rmsacts 65 0 0 32.25 1163.003 08.71997 .33639keview7�EMC �/LI_Title <</MCID 11 >>BDC 3BT�/T

Beach, Florida 33401. Defendant Network One transacts or has transacted business in this District.

8. Defendant Willoughby Farr is the chief operating officer of Access One and a director of Network One. Farr also is a de facto officer and

11. Defendant Erika Riaboukha is the president of Access One. At all times material
to this complaint, Defendant Riaboukha, individually or in concert with others, has formulated, directed, controlled, or participated in the acts and practices of Defendants Nationwide and Access One, including the acts and practices set forth in this complaint. Defendant Riaboukha resides in and transacts or has transacted business in this District.
12. Defendant Qaadir Kaid is the president of Network One. At all times material to
this complaint, Defendant Kaid, individually or in concert with others, has formulated, directed, controlled, or participated in the acts and practices of Defendants Nationwide, Access One, and Network One, including the acts and practices set forth in this complaint. Defendant Kaid resides in and transacts or has transacted business in this District.
COMMON ENTERPRISE
13. Corporate Defendants Nationwide, Access One, and Network One have operated
as a common enterprise while engaging in the deceptive and unfair acts and practices alleged below. Individual Defendants Farr, M.L. Farr, Garcia, Riaboukha, and Kaid have formulated, directed, controlled or had authority to control, or participated in the acts and practices of the Corporate Defendants that comprise the common enterprise.
GO-RCE
14. At all times relevant to this complaint, Defendants have maint~ned asubstmtial course of trade in or affecting 60 esee" is defined In Section 4of the FTC Act, is BS,S.C. $44.

DEFENDANTS' BUSINESS PRACTICES
15. Since at least January 2004, Defendants have initiated phone charges that appear
on consumers' monthly telephone bills for purported long distance collect calls. These phone
charges purport to be for collect calls the consumers received and accepted on particular dates
and times. The charges are to be paid by consumers along with the other phone charges on
consumers' monthly bills.
16. However, in numerous circumstances, the collect call charges initiated by
Defendants are for calls that were not received or authorized by consumers.101 Tc 0.9897358 0 Td�(collect)Tj�c

Frequently, the collect call charges billed on behalf of Defendants appear on the last page of a consumer's multi-page telephone bill.
20. The per-call charges to consumers initiated by Defendants typically amount to
between $5.00 and $8.00, including associated taxes and fees.
21. Numerous consumers report that they did not receive or authorize the collect calls
for which they are billed by Defendants. In fact, in numerous instances, Defendants initiate charges for collect calls to telephone lines that are dedicated to mechanical devices such as computers or fax machines. Similarly, in many cases, nobody was present at the location assigned to the telephone number to accept the purported collect calls. Consumers also report that their caller ID logs have no record of the collect calls that were purportedly made or authorized.
22. In those instances where consumers notice the charges, they often try to contact
OAN, Integretel, or the Defendants to request a refund for these collect call charges. Some consumers have difficulty getting through to a customer service agent. In most cases, however, Defendants credit consumers within one to two billing cycles on a future bill, often without any detailed inquiry into consumers' basis for complaint.
23. In May 2005, Integretel ceased submitting bills to the LECs on behalf of Access
One because of ""excessive consumer compl&nts9" and Access One's "inability to provide adequate proof of the ineegdty of its "tsilling "c~ansiactioars."Despite several requests, Access One refused to provide Integretel with a list of the third party e&er data files evidencingthe calslls

that Access One submitted for billing or a list of the companies that submitted call records to Access One for billing. 2
24. Similarly, in December 2005, OAN discontinued processing billing transactions
for Nationwide.
25. Between July 2004 and August 2005, gross revenue generated for calls billed by
OAN on behalf of Nationwide totaled more than $20 million. OAN credited consumers at least $2 million, Many additional consumers sought and received refunds from Nationwide.
26. Despite high rates of refund, Nationwide and Access One have garnered more
than fifteen million dollars from their billing efforts.
27. Defendant Farr has received over $5 million of these proceeds despite being
incarcerated at the Palm Beach County Jail since October 2004. Defendant M.L. Farr has received more than $2 million from Nationwide.
VIOLATIONS OF SECTION 5 OF THE FTC ACT

28. Section 5(a) of the FTC Act: 15U.S.C. 5 45(a), prohibits "deceptive" or "unfair"
acts and practices in or affecting commerce. Misrepresentations or omissions of material fact constitute "deceptive" acts or practices pursuant to Section 5(a) of the T;"TC Act. Moreover, under Section 5(n) of the FTC Act, an act or practice is "unfair" if it causes or is likely to cause substantial in~uryto consumers that is not reasonably avoidable by consumers and is not outweighed by countem~Bingbenefits to consumers or to competition, 15U.S.C, 3 45(n).

COUNT ONE

Deceptive Billing Practices
29. In numerous instances, Defendants represent or have represented, expressly or by implication, that a consumer was obligated to pay a charge for a collect telephone call on the consumer's telephone bill.
30. In truth and in fact, in numerous instances, the consumer was not obligated to pay
the charge, because:
(1) the collect call underlying the charge was never made; or
(2) the charge for the collect call was not authorized.
3 1. Therefore, Defendants' practices as described in Paragraph 29 are deceptive and violate Section 5 of the FTC Act, 15 U.S.C. fi 45(a).

COUNT TWO

Unfair Billing Practices
32. In numerous instances, Defendants, directly or indirectly, bill or have billed a
consumer for a collect telephone call that the consumer did not receive or did not authorize.
33. These billing practices cause or are likely to cause substantial injury to consumers
that is not reasonably avoidable and is not outweighed by countervailing benefits to consumers or coqetition.
34- Therefore,Deferrdants"practices as deseE-ibedin Pasagapk 32 are smfair and
violate Section 5 of the FTC Act, 15 U,S.C. 5 45(a).

CONSUMER INJURY

35. Defendants' violations of Section 5 of the E;TC Act, 15 U.S.C. 5 45(a), as set forth
above, have caused and are likely to continue to cause substantial injury to consumers. In addition, Defendants have been unjustly enriched as a result of their unlawful practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.
THIS COURT'S POWER TO GRANT RELIEF
36. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant
injunctive and other ancillary equitable relief. including consumer redress, disgorgement and restitution, to prevent and remedy any violations of any provision of law enforced by the Federal Trade Cornrnission.
PRAYER FOR RELIEF
WHEREFORE, Plaintiff, the Federal Trade Commission, requests that this Court, as authorized by Section 13(b) of the FTC Act, 15 U.S.C. (S 53(b), and pursuant to its own equitable powers:

1. Award Plaintiff such preliminary injunctive and ancillary relief as may be
necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective find relief.
2. Permanently enjoin Befendants from violsating Section 5(a) sf the 7F;"89CAct, 15
U,S.eS. 5 45(a). as alleged tn this complaint.

3. Award such relief as the Court finds necessary to redress injury to consumers