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Federal Trade Commission

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CLERK, US DISTRICT  
MIDDLE DISTRICT  
TAMPA, FLO

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**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

FEDERAL TRADE COMMISSION

Plaintiff,

v.

GLOBAL MARKETING GROUP

Civ. No.

8:06cv2272-T30TGW

COMPLAINT FOR INJUNCTIVE AND

6101 et seq., to obtain preliminary and permanent injunctive relief, rescission of contracts, restitution, redress, disgorgement, and other equitable relief for Defendants' deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and the FTC's Trade Regulation Rule entitled "Telemarketing Sales Rule" ("TSR"). 16 C.F.R. Part 310.

**JURISDICTION AND VENUE**

? Subject matter jurisdiction is conferred upon this Court by 15 U.S.C. §§ 45(a), 53(b)

57b, 6102(c), and 6105(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345.

disgorgement. 15 U.S.C. §§ 53(b), 57b, 6102(c), and 6105(b).

**DEFENDANTS**

6. Defendant Global Marketing Group, Inc. is a Florida corporation with its principal place of business located in Tampa, Florida. Global Marketing Group was incorporated on October 2, 2001, and does or has done business as “Global Processing” and “Global Processing, Inc.” Global Marketing Group transacts or has

States.

7. Defendant Global Business Solutions, LLC is a Florida limited liability corporation with its principal place of business located in Tampa, Florida. Global Business

15, 2004, and does business or has done business as “Global Processing” and “Global Processing, Inc.” Globalpay, LLC transacts or has transacted business in the Middle District of Florida and throughout the United States.

10. Defendant Globalpay BV is a foreign corporation with its principal place of business located in Tampa, Florida. Globalpay BV does business or has done business as “Global Processing” and “Global Processing, Inc.” Globalpay BV transacts or has transacted business in the Middle District of Florida and throughout the United States.

States.

Defendants”). Rubin does business as “Global Processing” and “Global Processing, Inc.” At all relevant times, acting alone or in concert with others, Rubin has formulated, directed, controlled, or participated in the acts and practices of the Corporate Defendants, including the acts and practices set forth in this Complaint. Rubin resides in Tampa, Florida, with his wife, Relief Defendant Phoelicia Daniels. Rubin transacts or has transacted business in the Middle District of Florida and throughout the United States.

Defendant Ira Rubin. At relevant times, Daniels was the president and sole shareholder of Defendant First Processing Corporation. Daniels has received funds and other property derived unlawfully from payments by consumers as a result of Defendants’ unlawful acts and practices as alleged herein.

**COMMERCE**

consumers with poor credit and deceptively induce these consumers to authorize an electronic debit of their bank accounts for several hundred dollars in exchange for an unsecured major credit card. Defendants debit the funds from the consumers' bank accounts through the ACH Network, deduct their processing fees from the gross proceeds, and forward the balance of the proceeds from the deceptive scheme to the

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20. Defendants process ACH transactions on behalf of clients without first obtaining adequate information about the clients and their business practices or in situations where the evidence available to them demonstrates illegal activity is contemplated or ongoing.
21. Defendants frequently receive complaints about their clients from consumers, law enforcement, and the Better Business Bureau. These complaints concern deceptive and abusive business practices engaged in by Defendants' clients, including, but not limited to, the failure to provide unsecured major credit cards to consumers who paid an advance fee of several hundred dollars.
22. Defendants' clients generate extraordinarily high return rates. These rates range from 14 to several hundred times average rates in the ACH Network. On a regular basis, Defendants receive spreadsheets and other reports from their clients which detail ACH activity, plainly demonstrating the unusually high volume of returns

employ a new business name or front person making the same deceptive claims to consumers. Defendants continue processing for these clients.

25. The activities of the Defendants are conducted in widespread violation of the rules, regulations and accepted practices of the ACH network.

***Customer Service, Fulfillment, and List Brokering***

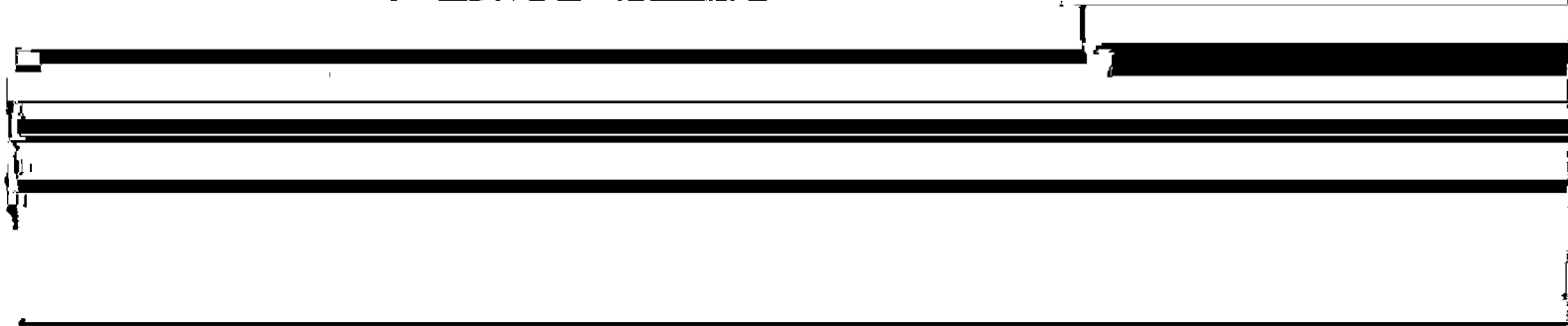
26. In addition to payment processing, Defendants provide various other forms of assistance and support to clients engaged in deceptive and abusive sales practices.

These forms of assistance include, but are not limited to:

A. ***Customer Service.*** Defendants provide telephone customer support services to deceptive and abusive telemarketing schemes. Specifically, Defendants enter into contractual agreements whereby they agree to receive and respond to inquiries, complaints, and refund requests, from consumers who purchase goods or services from Defendants' telemarketing clients. In numerous instances, in the course of providing customer service for their clients, Defendants have received complaints from consumers regarding the deceptive and abusive practices of these clients;

B. ***Fulfillment services.*** Defendants provide "fulfillment services," or arrange for third parties to provide such services, to deceptive or abusive telemarketing schemes. These fulfillment services include, but are not limited to, sending essentially worthless "benefits packages" to consumers who had

~~been promised a reward or credit card by telemarketers. There is no completion~~





between the promises made in sales scripts reviewed by Defendants and the materials provided by Defendants to consumers;

C. **List brokering.** Defendants sell lead lists to deceptive and abusive

administrative schemes. These lists include contact information and consumer

statement to induce any person to pay for goods or services." 16 C.F.R. § 310.3(e)(4)

Such conduct constitutes a deceptive telemarketing act or practice and a violation of the TSR.

30. The TSR also prohibits telemarketers and sellers from requesting or receiving

1995, renumbered but unchanged as Sections 310.2(z), (bb), and (cc) of the TSR as amended in 2003.

**VIOLATIONS OF THE TELEMARKETING SALES RULE**

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**COUNT I**

***Assisting and Facilitating Telemarketing Sales Rule Violations***

34. In numerous instances, Defendants have provided substantial assistance or support, including, but not limited to (i) ACH payment processing services, (ii) customer support services, (iii) fulfillment services, and (iv) list brokering, as described in Paragraphs 16 through 27, to sellers or telemarketers whom Defendants knew or consciously avoided knowing:

practice is unfair if it causes or is likely to cause substantial injury to consumers that is not reasonably avoidable by consumers and is not outweighed by countervailing benefits to consumers or competition. 15 U.S.C. § 45(n).

**COUNT II**

***Unfair Acts or Practices***

37 Defendants' acts and practices in processing debit transactions to consumers' bank  
[REDACTED]

accounts, as described in Paragraphs 16 through 27, cause or are likely to cause substantial injury to consumers which is not reasonably avoidable by consumers

themselves and which is not outweighed by countervailing benefits to consumers or

disgorgement, and restitution, to prevent and remedy violations of any provision of law enforced by the Commission.

41. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), authorize this Court to grant such relief as the Court finds necessary to redress injury to consumers or other persons resulting from Defendants' violations of the TSR, including the rescission and reformation of contracts and the refund of monies.
42. This Court, in the exercise of its equitable jurisdiction, may award other ancillary relief to remedy injury caused by Defendants' law violations

but not limited to, rescission of contracts, the refund of monies paid, and the disgorgement of ill-gotten monies; and

- D. Award plaintiff the costs of bringing this action, as well as such other and additional equitable relief as the Court may determine to be just and proper.

Respectfully Submitted,

WILLIAM BLUMENTHAL  
General Counsel



DATED: Dec. 6, 2006

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