

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

FEDERAL TRADE COMMISSION,)	
)	
Plaintiff,)	Case No.
)	
v.)	FILED: OCTOBER 20, 2008
)	08CV5994
ADVANTAGE CREDIT REPAIR LLC, and)	JUDGE PALLMEYER
)	MAGISTRATE JUDGE COLE
MARK D. SOLOMON,)	
)	
Defendants.)	TC
)	

COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("FTC"), for its Complaint alleges:

1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade

3. Venue in the United States District Court for the Northern District of Illinois is proper under 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b).

PLAINTIFF

4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC is charged, *inter alia*, with enforcing Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also is charged with enforcing the Credit Repair Organizations Act. 15 U.S.C. § 1679h(a).

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and the Credit Repair Organizations Act in order to secure such equitable relief as is appropriate in each case, including restitution for injured consumers. 15 U.S.C. §§ 53(b), 57b, and 1679h(b).

DEFENDANTS

6. Defendant Advantage Credit Repair LLC (“Advantage”), is an Illinois Limited Liability Company. Advantage’s principal office is at 500 N. Michigan Avenue, Suite 300, Chicago, Illinois 60611. It also transacts business at 3166 N. Lincoln Avenue, Suite 215, Chicago, Illinois 60657. Defendant Advantage transacts or has transacted business in this district and throughout the United States.

7. Defendant Mark D. Solomon (“Solomon”), is the president and owner of Defendant Advantage. At all times material to this Complaint, acting alone or in concert with others, Defendant Solomon has formulated, directed, controlled, or participated in the acts or practices of Advantage, including the acts and practices set forth in this Complaint. Defendant Solomon is a resident of Chicago, Illinois, and transacts or has transacted business in this district

and throughout the United States.

COMMERCE

8. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS’ BUSINESS ACTIV

bureaus to get negative items deleted quickly. We have so much confidence in our ability to get negative items deleted that we only charge based on our performance!

We would never charge a large fee up front, or make you wait a long period of time to refund your money if we do not get results. You WILL see results in 60 days, or your money will be refunded in full. It is as simple as that.

Can Bankruptcies and Foreclosures Be Removed?

Yes. Any derogatory item on a credit report can be removed, depending on the circumstance and the skill of your credit repair company. These types of negative items, along with civil judgments, are more challenging to remove than standard late [sic] and collections. But be assured - it can be done! That is why you need a credit repair company that has the experience and methodology to get this accomplished.

Regardless of the type of negative item that appears on your report, we will legally challenge that item using our proprietary and highly effective dispute system. This includes any item - even if it [sic] the result of a mistake on your part!

12. To attract customers and induce them to purchase Defendants' credit repair services, Defendants have published advertisements in Chicago Yellow Pages directories that contain the following statements:

Results in 30 To 60 Days - Guaranteed!

Negative Items Deleted From Credit Reports Include: Judgements, Collections, Chargeoffs, Late Pays, Bankruptcies And More!

We Can Legally Raise Your Credit Score by 100 Points or More Quickly!

13. Consumers who see Defendants' ads or Internet Web site, or who are referred to Advantage by acquaintances, are encouraged to contact Advantage via telephone for a free consultation.

14. To induce consumers to purchase Defendants' services, Defendants' representatives make statements to consumers such as the following:

What we do is we get negative items deleted from your credit

r2cTD(r2 Tn000 TD8mf.000rf.tan be a7fld000 TD(re)Tj9.2400 0.0000 TD(dit)Tj12.7200i8c30 0

Chicago and Northern Illinois often are unsuccessful in recovering any money from Defendants.

THE CREDIT REPAIR ORGANIZATIONS ACT

18. The Credit Repair Organizations Act took effect on April 1, 1997, and has since that date remained in full force and effect.

19. The Credit Repair Organizations Act defines a “credit repair organization” as:

[A]ny person who uses any instrumentality of interstate commerce or the mails to sell, provide, or perform April 1, 1,59.0.0turn0 0.00000 0.00000 1.00000 0.0000 0.

23. Pursuant to Section 410(b)(1) of the Credit Repair Organizations Act, 15 U.S.C. § 1679h(b)(1), any violation of any requirement or prohibition of the Credit Repair Organizations Act constitutes an unfair or deceptive act or practice in commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE CREDIT REPAIR ORGANIZATIONS ACT

COUNT ONE

24. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of services to consumers by a credit repair organization, as that term is defined in Section 403(3) of the Credit Repair Organizations Act, 15 U.S.C. § 1679a(3), Defendants have made untrue or misleading representations to induce consumers to purchase their credit repair services, including, but not limited to, the representation that Defendants can improve substantially consumers' credit reports or profiles by permanently removing negative information from consumers' credit reports, even where such information is accurate and not obsolete.

25. Defendants have thereby violated Section 404(a)(3) of the Credit Repair Organizations Act. 15 U.S.C. § 1679b(a)(3).

COUNT TWO

26. In numerous instances, in connection with their operation as a credit repair organization, as that term is defined in Section 403(3) of the Credit Repair Organizations Act, 15 U.S.C. § 1679a(3), Defendants have charged or received money or other valuable consideration for the performance of credit repair services that Defendants have agreed to perform before such services were fully performed.

27. Defendants have thereby violated Section 404(b) of the Credit Repair Organizations Act. 15 U.S.C. § 1679b(b).

VIOLATION OF SECTION 5 OF THE FTC ACT

28. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts or practices in or affecting commerce.

29. Misrepresentations or omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT THREE

30. In numerous instances, in connec

Absent injunctive relief, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public.

THIS COURT’S POWER TO GRANT RELIEF

34. Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and Section 410(b) of the Credit Repair Organizations Act, 15 U.S.C. § 1679h(b), empower this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of the FTC Act and the Credit Repair Organizations Act. The Court, in the exercise of its equitable jurisdiction, may award other ancillary relief, including, but not limited to, rescission of contracts and restitution, and the disgorgement of ill-gotten gains, to prevent and remedy injury caused by Defendants’ law violations.

PRAYER FOR RELIEF

disgorgement of ill-gotten gains by Defendants; and

4. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Respectfully submitted,

WILLIAM BLUMENTHAL
General Counsel

Dated: October 20, 2008

/s/ Marissa J. Reich _____
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