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General Counsel

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JURISDICTION AND VENUE

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2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and

1347. 1347(a)(1) (28 U.S.C. §§ 1331, 1337(a), and

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 has formulated, directed, controlled, had the authority to control, or participated in the
2 acts and practices of A2S and Sleeping Giant, including the acts and practices set forth in
3 this Complaint. Defendant Oberholtzer resides in this district and in connection with the
4 matters alleged herein, transacts or has transacted business in this district and throughout
5 the United States.

6 9. Defendants A2S and Sleeping Giant (collectively, "Corporate Defendants") have
7 operated as a common enterprise while engaging in the deceptive acts and practices
8 alleged below. Defendants have conducted the business practices described below
9 through interrelated companies that have common ownership and office locations.
10 Because these Corporate Defendants have operated as a common enterprise, each of them
11 is jointly and severally liable for the acts and practices alleged below. Individual

DEFENDANTS' BUSINESS PRACTICES

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13. Since at least May 2008, Defendants have engaged in a course of conduct to advertise, market, offer to sell, and sell to consumers purported mortgage loan modification and foreclosure relief services. Defendants marketed their services to homeowners who are

1 and permanently.

2 d. **Q. What is loss mitigation?**

3 **Loss mitigation** consists of a variety of procedures set up by the

1 your lender to get you the best possible solution to your
2 home foreclosure problem.

3 16. Consumers spoke to Defendants' telemarketers when they called the toll-free telephone
4 number provided on Defendants' website or when Defendants called consumers after
5 receiving consumers' information via the online form.

6 17. During the telemarketing sales calls, Defendants' representatives collected information
7 from consumers, including details about the consumers' mortgages and income. In
8 numerous instances, after consumers provided this information, the telemarketers told

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

COUNT I

Misrepresentations Regarding Loan Modification Success

- 1
2
3 27. In numerous instances, in connection with the advertising, marketing, promotion,
4 offering for sale, or sale of mortgage loan modification and foreclosure relief services,
5 Defendants have represented, directly or indirectly, expressly or by implication, that
6 Defendants will obtain a mortgage loan modification or stop foreclosure in all or virtually
7 all instances.
8 28. In truth and in fact, Defendants did not obtain a mortgage loan modification or stop
9 foreclosure in all or virtually all instances.

5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

33. Consumers have suffered and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this

1 D. Award Plaintiff the costs of bringing this action, as well as such other and
2 additional relief as the Court may determine to be just and proper.
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4 Dated: July 14, 2009

Respectfully submitted,

5 WILLARD K. TOM
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8 /s/Nadine Samter
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FEDERAL TRADE COMMISSION