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1 REGISTERED DATA ANALYTICS,
2 INC., a corporation,

3 LLOYD BRANNIGAN EXCHANGE,
4 INC., a corporation,

5 GEOVANNI SORINO, individually
6 and as an officer of NATIONAL
7 AWARDS SERVICE ADVISORY,
8 LLC,

9 JORGE A. CASTRO, individually and
10 as an officer of CENTRAL
11 PROCESSING OF NEVADA, LLC,

12 TULLY A. LOVISA, individually and
13 as an officer of INTERNATIONAL
14 AWARD ADVISORS, INC.,
15 SPECTRUM CAGING SERVICE,
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2. The FTC brings

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1 98776, in Las Vegas, Nevada 89193. National Awards Service Advisory, LLC,
2 transacts or has transacted business in this district and throughout the United
3 States.

4 9. Defendant Central Processing of Nevada, LLC, also doing business as
5 Publishers Information Bureau and Consumer Reporting Services, is a Nevada
6 limited liability company with a mailing address at P.O. Box 98988 in Las Vegas,
7 Nevada 89193. Central Processing of Nevada, LLC, transacts or has transacted
8 business in this district and throughout the United States.

9 10. Defendant International Award Advisors, Inc., is a Delaware
10 corporation with a mailing address at P.O. Box 8050, Huntington Station, New
11 York 11746. International Award Advisors, Inc., transacts or has transacted
12 business in this district and throughout the United States.

13 11. Defendant Spectrum Caging Service, Inc., is a New York corporation
14 with its principal place of business at 18 Unqua Road, Massapequa, New York
15 11758. Spectrum Caging Service, Inc., transacts or has transacted business in this
16 district and throughout the United States.

17 12. Defendant Prize Registry Bureau, Inc., is a Nevada corporation with a
18 mailing address at P.O. Box 98989 in Las Vegas, Nevada 89193. Prize Registry
19 Bureau, Inc., transacts or has transacted business in this district and throughout the
20 United States.

21 13. Defendant Consolidated Data Bureau, Inc., also doing business as
22 Data Distribution Bureau, Inc., is a Nevada corporation with a mailing address at
23 P.O. Box 98985 in Las Vegas, Nevada 89193. Consolidated Data Bureau, Inc.,
24 transacts or has transacted business in this district and throughout the United
25 States.

26 14. Defendant Registered Data Analytics, Inc., is a Nevada corporation
27 with its principal place of business at 3401 Sirius Avenue, Suit
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1 Bureau, Inc., Consolidated Data Bureau, Inc., Registered Data Analytics, Inc., and
2 Lloyd Brannigan Exchange, Inc. At times material to this Complaint, acting alone
3 or in concert with others, he has formulated, directed, contro
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1 common enterprise.

2 **COMMERCE**

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

6 **DEFENDANTS’ BUSINESS PRACTICES**

7 23. At various times during the past two years, and continuing today,
8 Defendants have sent personalized mailers to hundreds of thousands of consumers
9 throughout the United States. These mailers represent that the consumer to whom
10 the mailing is addressed has won a multi-million dollar cash prize.

11 24. Defendants conduct business through an interrelated network of
12 companies that have neighboring post office boxes, nearly identical

1 d. “Upon resolution adopted by the Verification Office Advisory
2 Board, notice is hereby given to the individual named and set
3 forth above that \$3,175,536.00 is now due to be paid upon
4 selection and your identity, [John Doe], has been positively
5 identified.” (Exhibit O);

6 e. “This Declaration, prepared exclusively for [Jane Doe] by
7 P.I.B. North America, describes your guaranteed entitlements to
8 an aggregate CASH/PRIZE pool totaling over \$3,235,046.00 to
9 be distributed by corporate sponsors.” (Exhibit W); and

10 f. “NOTICE OF PAYMENTS PENDING . . . You are hereby
11 informed that \$3,175,536.00 is now due to be paid, [John Doe],
12 upon selection and that your identity has been positively
13 confirmed.” (Exhibit Z).

14 27. To bolster the impression that the consumer ha
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1 28. Defendants' mailers further reinforce that the consumer has won a
2 prize by stating that the recipient has been specially selected to receive the mailer,
3 and include the following or similar language:

4 a. "[John Doe], due to your name being identified out of more than
5 267,843 candidates, we have safeguarded your delivery by
6 assigning the Prize Information Number 20105167310 to you
7 and you alone." (Exhibit M);

8 b. "Congratulations [John Doe], you have been positively
9 identified for this \$3,275,226.00 enumeration report and prize
10 information release." (Exhibit N);

11 c. "Transaction File No. 50360993365 has been established in
12 your name in connection with this matter, and must be referred
13 to in all correspondence with this office." (Exhibit O);

14 d. Selection of your name has been carried out in strict conformity
15 with rules and methods stipulated as applicable to all potential
16 winners of a major sweepstakes cash amount." (Exhibit U);

17 e. [John], this information is real and actual; based on results from
18 your recent participation in a National Promotion in which your
19 subsequent identification is now affirmed and announced."
20 (Exhibit Y); and

21 f. At 4:00 pm, on February 26, 2010 our records indicated that
22 [John Doe], known holder of identification No. 50228663092,
23 as filed in our main office, is 100% positively appointed to
24 receive immediate delivery of prize information data providing
25 access to monies in excess of \$2,500,000.00." (Exhibit Y).

26 29. Defendants bolster the impression that consumers have won a prize by
27 stating that consumers have a limited amount of time within which to claim the
28 cash prize, using the following or similar statements:

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- vi. "REGISTERED" (Exhibits K, Q);
- vii. "VERIFIED" (Exhibit M);
- viii. "CONFIDENTIAL" (Exhibit N);
- ix. "CONFIRMED" (Exhibit O);
- x. "AUTHORIZED RUSH PROCESSING" (Exhibit P);
- xi. "SIGN & RETURN" (Exhibit S);
- xii. "URGENT" (Exhibit U);
- xiii. "ADVANCED" (Exhibit V);
- xiv. "COPY" (Exhibit CC); and
- xv. "PRIORITY" (Exhibit II).

31. Defendants' mailers often include a return envelope addressed to one of Defendants' post office boxes (Exhibit PP).

32. Many of Defendants' mailers prominently tout that Defendants are affiliated with a government agency, including, but not limited to, using the following or a similar heading:

- a. "State of California Commissioners of Registration" (Exhibit A);
- b. "State of Illinois Commissioners of Registration" (Exhibit B);
- c. "State of Florida Commissioners of Registration" (Exhibit C);
- d. "Commissioners of Registration" (Exhibits D-E);
- e. "FOR THE STATE OF: Illinois" (Exhibit F); and
- f. "GEORGIA TRANSFER NOTICE DOCUMENT" (Exhibit G).

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“Report Claim Registration Form,” “Administrative Request
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1 for over \$3,333,256.00. Disbursement Entitlement. Response
2 requested before April 28, 2010.” (Exhibit Q);

3 b. “[John], Act now. You have successfully passed two stages,
4 with only the third - and final - stage standing between you and
5 access to the \$3,333,256.00 Disbursement Entitlement.”
6 (Exhibit R); and

7 c. “At the Third and Final Stage, the over \$2,175,536.00 will be
8 dispatched. You need to respond now.” (Exhibit EE).

9 38. Defendants have collected millions of dollars from consumers.

10 **DEFENDANT TULLY LOVISA’S TRANSFER OF FUNDS TO**

11 **RELIEF DEFENDANT LISA LOVISA**

12 39. On November 30, 2010, the FTC filed its original complaint in this
13 matter against twelve Defendants, including Tully Lovisa, International Award
14 Advisors, Inc., and Spectrum Caging Service, Inc., alleging that the Defendants,
15 through their sweepstakes promotion companies, deceived hundreds of thousands
16 of consumers and collected millions of dollars from victims. The FTC’s original
17 complaint sought, among other things, such “relief as the Court finds necessary to
18 redress injury to consumers resulting from Defendants’ violations of the FTC Act,
19 including but not limited to, rescission or reformation of contracts, restitution, the
20 refund of monies paid, and the disgorgement of ill-gotten monies.” The FTC also
21 filed an *ex parte* Application for a Temporary Restraining Order and Order to
22 Show Cause Why a Preliminary Injunction Should Not Issue (“Order to Show
23 Cause”).

24 40. On December 1, 2010, this Court issued a Temporary Restraining
25 Order With Asset Freeze and Other Equitable Relief (“TRO”) that, among other
26 things, temporarily froze all assets owned, controlled by, or otherwise held for the
27 benefit of Mr. Lovisa and his corporations.

28 41. On December 2, 2010, the FTC served the original complaint, TRO,

1 Order to Show Cause, and related pleadings on Defendants International Award
2 Advisors, Inc., Spectrum Caging Services, Inc., and Tully Lovisa.

3 42. On December 2, 2010, Defendant Tully Lovisa caused to be
4 transferred \$70,000 from a bank account of Defendant International Award
5 Advisors, Inc., to Relief Defendant Lisa Lovisa.

6 43. On December 2, 2010, Defendant Tully Lovisa caused to be
7 transferred \$100,000 from a bank account of Defendant Spectrum Caging Service,
8 Inc., to Relief Defendant Lisa Lovisa.

9 44. Relief Defendant Lisa Lovisa provided nothing in return for the
10 transfers described in Paragraphs 42 and 43.

11 45. The funds described in Paragraphs 42 and 43:

- 12 a. can be traced directly to Defendants' unlawful acts or practices
13 alleged below, and
14 b. were transferred after Defendant Tully Lovisa learned of this
15 lawsuit.

16 **VIOLATIONS OF THE FTC ACT**

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

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

21 **COUNT I**

22 48. Through the means described in Paragraphs 23 through 38,
23 Defendants have represented, directly or indirectly, expressly or by implication,
24 that consumers who pay Defendants a specified fee will receive a substantial cash
25 prize.

26 49. In truth and in fact, consumers who pay Defendants the specified fee
27 do not receive a substantial cash prize.

28 50. Therefore, the making of the representation as set forth in Paragraph

1 48 of this Complaint constitutes a deceptive act or practice, in or affecting
2 commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

3 **COUNT II**

4 51. Through the means described in Paragraphs 23 through 38, Defendants
5 have represented, directly or indirectly, expressly or by implication, that they are
6 affiliated with an official government agency.

7 52. In truth and in fact, Defendants are not affiliated with an official
8 government agency.

9 53. Therefore, the making of the representation as set forth in Paragraph 51
10 of this Complaint constitutes a deceptive act or practice, in or affecting commerce
11 in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

12 **DISGORGEMENT OF RELIEF DEFENDANT'S ILL-GOTTEN GAINS**

13 **COUNT III**

14 54. Relief Defendant, Lisa Lovisa, has received, directly or indirectly,
15 funds and other assets from Defendants that are traceable to funds obtained from
16 Defendants' customers through the unlawful acts or practices described herein.

17 55. Relief Defendant is not a bona fide purchaser with legal and equitable
18 title to Defendants' customers' funds and other assets, and Relief Defendant will be
19 unjustly enriched if she is not required to disgorge the funds or the value of the
20 benefit she received as a result of Defendants' unlawful acts or practices.

21 56. By reason of the foregoing, Relief Defendant holds funds and assets in
22 constructive trust for the benefit of Defendants' customers.

23 **VIOLATIONS OF THE FEDERAL DEBT COLLECTION**

24 **PROCEDURE ACT**

25 57. On December 2, 2010, Tully Lovisa, International Award Advisors,
26 Inc., and Spectrum Caging Service, Inc. ("Fraudulent Transfer Defendants")
27 transferred or caused to be transferred \$170,000 to Relief Defendant.

28 58. The transfers described in Paragraphs 42-45 are fraudulent and can be

1 voided pursuant to the Federal Debt Collection Procedure Act (“FDCPA”).

2 **COUNT IV**

3 **AVOIDANCE UNDER SECTION 3304(b)(1)(A) of the FDCPA**

4 59. Section 3304(b)(1)(A) of the FDCPA provides in pertinent part that “a
5 transfer or obligation incurred by a debtor is fraudulent as to a debt to the United
6 States, whether such debt arises before or after the transfer is made or the obligation
7 is incurred, if the debtor makes the transfer or incurs the obligation - (A) with actual
8 intent to hinder, delay, or defraud a creditor”

9 60. The Fraudulent Transfer Defendants transferred or caused to be
10 transferred funds to Relief Defendant Lisa Lovisa “with actual intent to hinder,
11 delay, or defraud a creditor.” Therefore, those transfers are fraudulent pursuant to
12 Section 3304(b)(1)(A) of the FDCPA as to a claim to the FTC, and therefore, to the
13 United States.

14 **COUNT V**

15 **AVOIDANCE UNDER SECTION 3304(b)(1)(B) of the FDCPA**

16 61. Section 3304(b)(1)(B) of the FDCPA provides in pertinent part that a
17 transfer made by a debtor is fraudulent as to a debt to the United States, whether
18 such debt arises before or after the transfer is made, if the debtor makes the transfer
19 “(B) without receiving a reasonably equivalent value in exchange for the transfer or
20 obligation if the debtor . . . (ii) intended to incur, or believed or reasonably should
21 have believed that he would incur, debts beyond his ability to pay as they became
22 due.”

23 62. The Fraudulent Transfer Defendants did not receive “a reasonably
24 equivalent value in exchange for” the transfers described in Paragraphs 42-45.

25 63. At the time of the transfers described in Paragraphs 42-45, the
26 Fraudulent Transfer Defendants reasonably should have believed that they would
27 incur debts beyond their ability to pay as they became due.

28 64. Therefore, the transfers described in Paragraphs 42-45 are fraudulent

1 transfers pursuant to Section 3304(b)(1)(B) of the FDCPA as to a claim to the FTC,
2 and therefore, to the United States.

3 **CONSUMER INJURY**

4 65. Consumers have suffered and will continue to suffer substantial injury
5 as a result of Defendants' violations of the FTC Act. In addition, Defendants have
6 been unjustly enriched as a result of their unlawful acts or practices. Absent
7 injunctive relief by this Court, Defendants are likely to continue to injure
8 consumers, reap unjust enrichment, and harm the public interest.

9 **THIS COURT'S POWER TO GRANT RELIEF**

10 66. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court
11 to grant injunctive and such other relief as the Court may deem appropriate to halt
12 and redress violations of any provision of law enforced by the FTC. The Court, in
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1 paid, and the disgorgement of ill-gotten monies;

2 D. Award such relief against Relief Defendant as the Court finds
3 necessary to secure funds for final relief, including an order requiring Relief
4 Defendant to disgorge all funds and assets, or the value of the benefit she received
5 from the funds and assets; and

6 E. Award Plaintiff the costs of bringing this ~~at~~ 800 0.0000 TD(ng)Tj 13.9200 0.0000 7

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