

U.S.C. § 45(a), and in violation of the FTC's "Telemarketing Sales Rule" ("TSR"), 16 C.F.R. Part 310.

SUMMARY OF THE CASE

2. Since at least November 2009, Defendants have been engaged in a telemarketing scheme in which Defendants, either directly or through one or more intermediaries, have been responsible for placing hundreds of thousands of illegal telemarketing calls – most of which start with illegal prerecorded “robocalls” – to consumers all across the country to sell phony credit-card interest rate reduction services.

3. During these calls, consumers typically hear a prerecorded message from a

will exceed the amount of Defendants' fee; and (d) the consumer will be able to get out of debt ~~three to five times faster with Defendants' help. Defendants' claims are inherently deceptive~~

because most banks will not agree to lower a consumer's interest rates at all or, at most, will only

agree to a very modest reduction in interest rate that falls far short of the significantly low interest rates Defendants guarantee in their calls.

5. After collecting their up-front fee from the consumer, Defendants sometime

31. During telemarketing calls, Defendants often tell consumers that using their services will not hurt the consumer's credit and in fact that using Defendants' services will

improve their credit because the consumer will be able to pay off his or her credit card debt faster.

32. During telemarketing calls, Defendants often tell consumers that using their services will not require the consumer to close his or her existing credit cards.

33. During telemarketing calls, Defendants often tell consumers that they can obtain substantial interest rate reductions on all types of credit cards (Visa, MasterCard, American Express, Discover), regardless of which bank issued the credit card to the consumer.

34. During telemarketing calls, Defendants often tell the consumer initially that the consumer will not incur any out-of-pocket expense in using their services and that, as long as the

[REDACTED]

75. In truth and in fact, the representations set forth in Paragraph 74 of this Complaint were false or not substantiated at the time the representations were made.

76. Therefore, Defendants' representations set forth in Paragraph 74 of this

Complaint are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

THE TELEMARKETING SALES RULE

77. Congress directed the FTC to prescribe rules prohibiting abusive and deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15 U.S.C. §§ 6101-6108. The

81. As amended, effective September 27, 2010, the TSR prohibits sellers and telemarketers from misrepresenting, directly or by implication, in the sale of goods or services, any material aspect of any debt relief service. 16 C.F.R. § 310.3(a)(2)(x).

82. As amended, effective October 27, 2010, the TSR prohibits sellers and telemarketers from requesting or receiving payment of any fee or consideration for any debt

16 C.F.R. § 310.4(b)(1)(v)(B)(ii).

91. As amended, effective September 1, 2009, the TSR prohibits initiating a telephone call that delivers a prerecorded message to induce the purchase of any good or service

evidences the willingness of the recipient of the call to receive calls that deliver prerecorded messages by or on behalf of a specific seller. The express agreement must include the recipient's telephone number and signature, must be obtained after a clear and conspicuous disclosure that the purpose of the agreement is to authorize the seller to place prerecorded calls to such person, and must be obtained after a clear and conspicuous disclosure that the purpose of the agreement is to authorize the seller to place prerecorded calls to such person, and must be obtained without

