

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

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**PARA-LINK INTERNATIONAL, INC.,
a Florida corporation,**

**AAA FAMILY CENTERS, INC., a Florida
corporation,**

**THE LIBERTY GROUP OF AMERICA,
INC., a Florida corporation,**

**DEBORAH R. DOLEN, individually and
as an officer of PARA-LINK
INTERNATIONAL, INC.,**

**MATTHEW SEE, individually and as an
officer of THE LIBERTY GROUP OF
AMERICA, INC., and**

**JUDY GRAVES, individually and as an
officer of PARA-LINK
INTERNATIONAL, INC.,**

Defendants.

CIVIL NO.

**COMPLAINT FOR INJUNCTION
AND OTHER EQUITABLE
RELIEF**

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

1. The FTC brings this action under Sections 5(a) and 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 45(a) and 53(b), to obtain temporary, preliminary, and permanent injunctive relief, rescission of contracts, restitution, disgorgement, appointment of a receiver, and other equitable relief for defendants' violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. § 53(b). This action arises under 15 U.S.C. § 45(a)(1).
3. Venue in the United States District Court for the Middle District of Florida is proper under 28 U.S.C. §§ 1391(b) and (c), and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff, the Federal Trade Commission, is an independent agency of the United States Government created by statute. 15 U.S.C. § 41 et seq. The Commission is charged, inter alia, with enforcement of 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 Commission is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act in order to secure such equitable relief as may be appropriate in each case, and to obtain consumer redress. 15 U.S.C. § 53(b).
5. Defendant Para-Link International, Inc. (“Para-Link”), a Florida corporation with its principal place of business at 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243, advertises, promotes, and sells paralegal training and employment opportunities. Para-Link also uses the address 2020 Pennsylvania Ave., NW, Washington, DC 20006, which is a mail drop. Para-Link formerly operated under the name Para-Link, Inc., a defunct corporation. Para-Link also does business under the name, The National Association of Independent Paralegals. Para-Link transacts or has transacted business in the Middle District of Florida.

6. Defendant AAA Family Centers, Inc., (“AAA”) a Florida corporation with its principal place of business at 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243, advertises, promotes, and sells paralegal training and employment opportunities. AAA transacts or has transacted business in the Middle District of Florida.
7. Defendant The Liberty Group of America, Inc. (“LGA”), a Florida corporation with its principal place of business supposedly located at 1406 Hays St. Suite 2, Tallahassee, Florida 32301, but actually located at 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243, advertises, promotes, and sells paralegal training and employment opportunities. LGA transacts or has transacted business in the Middle District of Florida.
8. Defendant Deborah R. Dolen (“Dolen”) is the president of Para-Link and the vice-president of AAA. Dolen’s principal place of business is 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243. Dolen also acts as a “consultant” to LGA. At all times material to this complaint, acting alone or in concert with others, she has formulated, directed, controlled, or participated in the acts and practices of Para-Link, AAA, and LGA, including the acts and practices set forth in this complaint. She transacts or has transacted business in the Middle District of Florida.
9. Defendant Matthew See (“See”) is the Director and President of LGA. See’s principal place of business is 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243. At all times material to this complaint, acting alone or in concert with others, he has formulated, directed, controlled, or participated in the acts and practices of LGA, Para-Link, and AAA, including the acts and practices set forth in this complaint. He transacts or has transacted business in the Middle District of Florida.
10. Defendant Judy Graves (“Graves”) is the vice-president of Para-Link. Grave’s principal place of business is 205 Montgomery Avenue, Bldg. 1, Sarasota, FL 34243.

At all times material to this complaint, acting alone or in concert with others, she has formulated, directed, controlled, or participated in the acts and practices of Para-Link, AAA, and LGA, including the acts and practices set forth in this complaint. She transacts or has transacted business in the Middle District of Florida.

COMMERCE

11. At all times relevant to this complaint, defendants have maintained a substantial course of trade in the offering for sale and sale of paralegal employment opportunities, in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFINITIONS

12. "World Wide Web" or "Web" means a system used on the Internet for cross-referencing and retrieving information. A "Web site" is a set of electronic documents, usually a home page and subordinate pages, readily viewable on a computer by anyone with access to the Web, standard software, and knowledge of the Web site's location or address.
13. "Internet" means a worldwide system of linked computer networks that use a common protocol (TCP/IP) to deliver and receive information. The "Internet" includes, but is not limited to, the following forms of electronic communication: electronic mail, the World Wide Web, newsgroups, Internet Relay Chat, and file transfer protocols.

DEFENDANTS' BUSINESS ACTIVITIES

14. Since at least June 1999, and continuing thereafter, defendants have advertised, promoted, and sold paralegal training and other work-at-home employment opportunities to consumers. Defendants, either directly or through third parties, use various advertising media such as Internet Web sites, located at www.para-link.com, taylormadeopportunities.com, and www.thelawclub.com, as well as unsolicited electronic mail and newspaper advertisements to promote their paralegal training and employment opportunity. Through one or more of these advertising media, defendants lure potential purchasers into buying a work-at-home kit for prices ranging from \$395-\$495 that defendants promise will train purchasers to become and earn money as a paralegal. Once consumers pass defendants' qualifying tests, they are then eligible to receive case referrals from defendants. Defendants promise to pay consumers \$25 for each referred completed case, plus \$5 per case for expenses.
15. Defendants' unsolicited electronic mail (or "spam") and newspaper advertisements often feature earnings representations such as "Make Over \$200 An Hour" and "You Can Process Simple Divorces and Bankruptcies From Home and Make Over \$200 an Hour in as little as 30 Days!!!" The text of one email noted that "It's 100% PROVEN! . . . Work When YOU Please!" The unsolicited emails often encourage recipients to call a toll-free number to learn more about the opportunity from one of the company's "22 in house paralegals." Defendants' newspaper advertisements often proclaim "Make \$50 per hour working from home." Defendants' Web sites promise that kit buyers will "make serious money" and boast "you are paid directly by the customer up to \$200 an hour!" and that "students can start making money the same day they get the kit!" Finally, defendants promise "your success is guaranteed!"
16. Also featured on defendants' Web sites are testimonials supposedly from current kit purchasers. These testimonials contain representations about how successful a

- potential kit buyer can expect to be; for example: “I have been doing this for about 2 weeks and already have made about as much money as my full time job.” Another testimonial reads: “I have made an enormous amount of income.” Still another claims: “The information gleaned from this program has made it possible for me to increase my income substantially.” In numerous instances, these testimonials are not from independent kit buyers, but instead are quotes from defendants’ employees.
17. Defendants assure potential kit purchasers that no advanced degrees or prior paralegal experience are necessary for consumers to succeed. Defendants promise that they will provide all necessary training and support for kit buyers, claiming that they will “train you and issue you a paralegal diploma.” Defendants promise kit buyers that they will be assigned personal trainers whose role is to help them correctly complete the qualifying exams. However, when kit buyers contact their trainers for help with their exams, these trainers are often unavailable and many times fail to return consumers’ calls or emails.
 18. Defendants also claim that once kit buyers pass the qualifying exams, defendants will refer a steady stream of cases to them, and that consumers will be assigned “10-20 cases a week” at a rate of \$30 per case. Defendants also represent that the “best typists get more than 50+ cases a week!” Defendants promise on their Web sites that “[t]he forms should take no more than 30 minutes to complete once you are familiar” with the format.
 19. On their Web sites, Defendants purport to have a solid supply of cases to refer to qualifying kit buyers. Defendants state, “Many major firms now use Para2000 for all their document needs. These firms include The Liberty Group [] and The Law Club . . . [t]hese companies send us their customer intake sheets that we in turn farm out to

- our typists to process.” In fact, both The Liberty Group and The Law Club are not independent “major firms” but rather are part of the family of defendant corporations.
20. Consumers who call defendants’ toll-free telephone numbers or visit defendants’ Web sites learn that in exchange for a payment ranging from \$395-\$495, they will receive a work-at-home kit “via U.S. Priority mail within 2-3 business days” that will get them started in performing paralegal services, including: (1) extensive training computer software; (2) a set of six audio tapes that “explains everything about the industry”; (3) a training video; (4) over 88 sample forms, including forms for creating a simple divorce or bankruptcy; and (5) ongoing assistance.
 21. In numerous instances, consumers fail to receive their kits in a timely fashion, and are forced to contact the company repeatedly to inquire as to the status of their order. Still other consumers discover that, when they finally receive their kits, the contents are of very poor quality or are incomplete. In many cases, the software is incompatible with consumers’ computer operating systems or fails to function properly. In addition, many consumers find that the materials are difficult to understand. In some cases, consumers find that the audio tapes are of such poor quality that it is difficult to decipher their content.
 22. The qualifying tests are extremely difficult. To pass the tests (and therefore qualify for case referrals), defendants require that kit buyers achieve a perfect score. On their Web sites, defendants predict that “[i]t typically takes 2-4 days or 20 hours to learn the materials.” In fact, many consumers spend weeks trying to make defendants’ software work, and then spend much more than 20 hours attempting to correctly complete defendants’ qualifying exams. Few consumers actually pass the tests.
 23. Although defendants claim to have access to a steady stream of case referrals that they will provide to their qualifying kit buyers, defendants, in fact, have very few cases to

refer. Further, defendants do not refer 10-20 cases per week to consumers; instead, the few consumers who actually qualify for referrals only receive a few cases over several months. Finally, when cases actually are referred, defendants often fail to pay consumers for their work in a timely fashion. As a result, few consumers who purchase defendants' paralegal training and employment opportunity earn any income, let alone the earnings promised by defendants.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

24. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), provides that "unfair or deceptive acts or practices in or affecting commerce are hereby declared unlawful."

COUNT I

25. In numerous instances, in the course of offering for sale and selling a paralegal training and employment opportunity, defendants, and their employees and agents, have represented, expressly or by implication, that consumers who purchase defendants' work-at-home kit for \$395-\$495 and pass defendants' qualifying tests will earn a specific level of earnings, such as an income of \$200 per hour to as much as \$2,000 per week.
26. In truth and in fact, few consumers who purchase defendants' work-at-home kit and pass defendants' qualifying tests earn, or will earn, a specific level of earnings, such as an income of \$200 per hour to as much as \$2,000 per week.
27. Therefore, defendants' representations as set forth in Paragraph 25 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).

COUNT II

28. In numerous instances, in the course of offering for sale and sale of a paralegal training and employment opportunity, defendants, and their employees and agents have represented, expressly or by implication, that they will provide each purchaser of their work-at-home kit 10 to 20 case referrals per week.
29. In truth and in fact, in most instances, defendants do not provide purchasers of their work-at-home kit with 10-20 case referrals per week. Rather, defendants provide purchasers with very few case referrals per week.
30. Therefore, defendants' representation as set forth in Paragraph 28 is false and misleading and constitutes deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

31. In numerous instances, defendants represent that defendants' computer software and manuals provided as part of their work-at-home kit will aid consumers in learning how to complete simple divorce and bankruptcy forms, and enable consumers to pass defendants' qualifying exams. In addition, defendants represent, either directly or by implication, that consumers who pass defendants' qualifying exams are legally entitled to complete forms on behalf of consumers.
32. In numerous instances, defendants fail to disclose that:
 - a. Their computer software has formatting problems and other flaws;
 - b. Defendants have a quota or limit on the number of consumers who can pass their qualifying exams for receiving case referrals; and
 - c. Completing and filing bankruptcy and divorce forms for other consumers may constitute the unauthorized practice of law;

- d. Completing and filing bankruptcy petitions for other consumers may subject consumers to penalties under the Bankruptcy Code. 11 U.S.C. § 110.
33. The facts that defendants' computer software is flawed, that defendants have a quota on the number of consumers who can pass their qualifying exams, and that consumers may be prohibited by law or penalized for preparing bankruptcy and divorce forms for others, are material to a consumer's decision to purchase defendants' paralegal training kit.
34. Therefore, defendants' failure to disclose the material information in Paragraph 32, in light of the representations in Paragraph 31, is deceptive, and violates Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT IV

35. In numerous instances, defendants promise that they will provide kit buyers with substantial training and ongoing support, including but not limited to computer software and manuals that will supposedly teach consumers how to complete divorce or bankruptcy forms.
36. In truth and in fact, in most instances, defendants do not provide kit buyers with substantial training or ongoing support. Defendants' software and manuals do not teach consumers how to complete divorce or bankruptcy forms.
37. Therefore, defendants' representations as set forth in Paragraph 35 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).

COMMON ENTERPRISE

38. Defendants Para-Link, AAA, LGA, Dolen, See, and Graves have operated and functioned as a single business enterprise in committing the violations of Section 5(a) of the FTC Act described above in paragraphs 25 through 37.
39. Because each of the defendants functioned as a single business enterprise with the other defendants in the commission of the deceptive acts and practices alleged above, they have each violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

40. Consumers nationwide have suffered or will suffer substantial monetary loss as a result of defendants' violations of Section 5(a) of the FTC Act. Absent injunctive relief by this Court, defendants are likely to continue to injure consumers and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

41. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and other ancillary relief, including consumer redress, disgorgement and restitution, to prevent and remedy any violations of any provision of law enforced by the Federal Trade Commission.
42. This Court, in the exercise of its equitable jurisdiction, may award ancillary relief to remedy injury caused by the defendants' law violations.

PRAYER FOR RELIEF

WHEREFORE, plaintiff requests that this Court, as authorized by Section 13(b) of the FTC Act, 15 U.S.C. §53(b), and pursuant to its own equitable powers:

1. Award plaintiff such preliminary injunctive and ancillary relief, including a temporary restraining order, appointment of a receiver, and an asset freeze, as may be

necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief;

2. Permanently enjoin the defendants from violating the FTC Act, as alleged herein;

3. Award such relief as the Court finds necessary to redress injury to consumers resulting from the defendants' violations of the FTC Act, including but not limited to, the rescission of contracts, the refund of monies paid, and the disgorgement of ill-gotten gains; 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,

DEBRA A. VALENTINE,
General Counsel

Dated: _____

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