

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over Plaintiff's claims pursuant to 28 U.S.C. §§ 1331(a), 1337(a), and 1345, and 15 U.S.C. §§ 45(a) and 53(b).

3. Venue in the District of the District of Columbia is proper under 28 U.S.C. § 1391(b) and (c) and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff **Federal Trade Commission** is an independent agency of the United States government created by the FTC Act, 15 U.S.C. §§ 41-58. The FTC enforces the FTC Act, which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC is authorized to initiate federal district court proceedings by its own attorneys, to enjoin violations of the FTC Act, and to secure such equitable relief as is appropriate in each case, including restitution and disgorgement. 15 U.S.C. § 53(b).

5. Defendant **Global Web Solutions, Inc.** is a Florida company with its principal place of business at 28 Pelican Island Drive, Fort Lauderdale, Florida, and has a mailing address at 2020 Pennsylvania Avenue, NW, Suite 610, Washington, D.C. Global Web Solutions, Inc. does business as USA Immigration Services, US Immigration Online, USAIS, and USIO. Global Web Solutions, Inc. transacts or has transacted business in this district.

6. Defendant **John Romano** is an officer and director of Global Web Solutions, Inc. Individually or in concert with others, he directs, controls, formulates or participates in the acts and practices set forth herein. He transacts or has transacted business in this district.

7. Defendant **Hoda M. Nofal** is an officer and director of Global Web Solutions, Inc. Individually or in concert with others, she directs, controls, formulates or participates in the acts and practices set forth herein. She transacts or has transacted business in this district.

COMMERCE

8. Defendants' course of trade is in or affecting commerce within the meaning of Section 4 of the FTC Act, 15 U.S.C. § 44.

BACKGROUND CONCERNING THE DIVERSITY VISA LOTTERY

9. The Diversity Visa ("DV") was created by the Immigration Act of 1990, ostensibly to encourage ethnic diversity in the American population. Each year, the United States Department of State ("State Department") accepts applications for 55,000 Alien Resident (green card) Diversity Visas from persons with at least a high school education (or two year's work experience in a trade or profession certified by the Department of Labor) born in countries with low rates of emigration to the United States. Persons born in Canada, China (excluding Hong Kong and Taiwan), Colombia, Dominican Republic, El Salvador, Haiti, India, Jamaica, Mexico, Pakistan, the Philippines, South Korea, the United Kingdom (except Northern Ireland) and its dependent territories, and Vietnam are not eligible.

10. From millions of qualifying applicants, the State Department randomly selects (as in a lottery) approximately 90,000 "winners," to whom it sends invitations to apply for visas at the consular offices closest to them. At the consular office level, about 40% of the winners do not (i) meet the minimum educational or birthplace requirements, (ii) supply the required medical information, (iii) complete the other paperwork correctly or in time, or (iv) satisfy the consulate of their desirability. For the fiscal year following the lottery, the State Department issues DVs to

qualifying winners on a first-come, first-served basis until 50,000 visas are issued (5,000 of the 55,000 visas are earmarked for the Nicaraguan and Central American Relief Act program).

11. Prior to August 19, 2003, individuals could apply to enter the DV lottery by providing basic biographical information on a single sheet of paper (to which the applicant was required to attach an individual passport photograph with his or her name and date of birth written on the back), and sign it. There was no fee to apply for the DV lottery. No application for the DV lottery would be considered unless it was the only application submitted by the applicant that year. If more than one application was submitted by the same individual, the individual was disqualified from participating in that year's lottery. In addition to being complete and signed, the application had to be correctly addressed and mailed by first class or air mail to a designated Migrate, KY address for the applicant's region. The application had to be delivered or postmarked within the 30-day time period specified for each year's DV lottery. Applications failing to meet any of these requirements were discarded. Applications that met all the eligibility requirements but were not drawn also were discarded. The State Department did not notify applicants or keep records of applications that it discarded. Only lottery winners were recorded and notified. Individuals not selected in a particular year's lottery may apply in subsequent years, but must submit a new application for each such lottery.

12. On August 19, 2003, the State Department announced that, thereafter, lottery applications will only be processed electronically through its designated website, www.dvlottery.state.gov. There is still no fee to apply for the DV lottery. Under the revised procedures, the applicant still is allowed to submit only one application within the required period (which, in 2003, will run from November 1 to December 30). Under the new procedures,

however, the applicant must go to the dedicated website during the open period. The website will not be accessible at other times. At the website, the applicant must complete an online entry form, containing the same basic biographical information previously required, and submit a digital photograph. Because the entire application process is now completed online, no signature is required. As before, the State Department will not notify applicants or keep records of applications that it discards. Only lottery winners will be recorded and notified.

DEFENDANTS' BUSINESS PRACTICES

13. Since at least January 2001, Defendants have conducted a worldwide scheme to market and sell travel and residency status documents and services through the Internet. These services include, among other things, applications for the DV lottery, passports, permanent residency visas (also known as "green cards"), and other travel and residency status documents. Defendants maintain at least two Internet websites, www.usais.org and www.usio.org, through which they offer for sale their services.

14. Defendants use computer code known as metatags to attract consumers to their websites. Keyword metatags contain keywords relating to a website's contents. Defendants use the following keyword metatags for their websites: "United States," "USA Immigration," "US Immigration," "US Immigration and Naturalization," "US Immigration Service," "US Department of Immigration," "US visa," "Green card," "Green card lottery," and "US visa information." Title metatags contain a description of the various web pages on the website. Defendants' title metatags include "USA IMMIGRATION - Green Card - Green Card Lottery - Official US Immigration - United States Immigration - US Citizenship - Greencards - Visas - Diversity Visa Lottery." Description metatags are intended to describe the website and are

displayed along with the website address in Internet search engine results pages. Defendants' description metatags include such phrases as "US Immigration: Official Green Card," "United States Immigration and INS forms," and "US Immigration and Naturalization Service."

15. Along the top of each web page on Defendants' website is a link entitled "Contact." Clicking on the link brings the site visitor to a page entitled "Contact » USA Immigration Service." Defendants direct consumers to e-mail them with most questions. At the bottom of the page, Defendants state, "in case you prefer contacting us via regular mail, our mailing address is: **2020 Pennsylvania Avenue, NW, Suite 610, Washington, D.C. 20006 USA.**" (Emphasis in original.) This is the address of a commercial mail receiving agency.

16. The Contact Page also includes five phone numbers: 202-663-1600 for inquiries "about J waiver status," 202-663-1541 for "Monthly Visa Bulletin Information," (202) 647-3000 for the Visa Bulletin by fax, 1-888-407-474 or 317-472-2328 to reach Overseas Citizens Services or the Office of Children's Issues. All these numbers are in fact maintained by the State Department.

17. Defendants' website domain names end in ".org," despite their commercial nature. Defendants' website's homepage contains the official seals or logos of USA Freedom Corps, the White House, and FirstGov (the United States government web portal), and hyperlinks to those agencies' websites. Defendants' website's homepage contains an official looking eagle and billowing flag banner, American iconic images (the statue of liberty, the flag, the Capitol and a green United States passport), extensive lists of government forms from at least 17 named government agencies and departments, and a "Consumer Alert" warning consumers against scams, similar to consumer alerts contained on government websites.

DV Lottery Application Services

18. With respect to their marketing of DV lottery application services, Defendants' website includes, among others, the following statements:

- a. The United States of America makes available 55,000 permanent resident visas (Green Cards) through the Green Card Lottery Program each year. Now, you can submit your application directly online and gain instant access to the Green Card Lottery web-based database.
U.S. Green Card Lottery >>NEW! Online Registration.
- b. USA Immigration Services accepts Green Card Applications throughout the entire year...We are now accepting applications for the 2003 Green Card Lottery Program (DV 2005). To ensure that your application is submitted within the required guidelines set forth by the United States Dept. of State submit your application as early as possible.
- c. USA Immigration Services accepts entries starting from November 7, 2002 untill [sic] November 6, 2003. We strongly recommend that you apply as soon as possible to guarantee proper processing of your application. Early application is recommended to avoid delays in postal transit and allow enough time to contact you if additional information is needed. If your application is received after the deadline, USAIS will automatically process your application for the next Green Card Lottery Program.
- d. DV Information and Registration Service provides an easy and convenient registration service for the annual Green Card Lottery program. We will ensure your application is registered in time and without formal errors on your application form. Each application is checked and you will be contacted if corrections or additional submissions are required in order for your application to be valid. Each year approx. 25% of all entries are disqualified, many for formal reasons: Missing photographs, poor handwriting or use of invalid signatures are only some of the reasons many applications don't even have a chance. Using a registration and application submission service will ensure your application stands a full chance in this program.
- e. Within each region the Kentucky Consular Center Computer randomly selects and registers Green Card applications from all the entries received. The consular center will reject any application that does not comply with the Green Card Lottery guidelines.

19. Defendants' website states that consumers can apply for the DV lottery online through the website or by downloading an application and mailing it to Defendants. Consumers choosing to apply online are first given an eligibility quiz. In addition to declaring consumers from qualifying countries eligible for the DV lottery, in numerous instances Defendants' website inaccurately declares consumers from Canada, Great Britain, South Korea, and other countries as eligible for the DV lottery and prompts them to complete their application.

20. Defendants charge \$40 for an individual application and \$70 for a dual application (husband and wife each submitting a separate application). Defendants also offer to resubmit applications annually. Defendants charge \$70 to submit an individual application for two years, \$100 for four years, and \$150 for ten years. The cost for serial dual applications is \$120, \$180, and \$250 respectively. Consumers purchasing serial application services are only asked to provide Defendants one complete signed application with one set of photographs.

21. For consumers applying online, Defendants' website prompts them to enter certain biographical information, including name, address, date and place of birth, and information about any spouse and unmarried children below 21 years of age. Consumers, then, are required to pay the appropriate fee online using a credit card. After payment is made, consumers are given a username, password, and registration number and instructed to log onto Defendants' DV Lottery Database to complete the application. When consumers log into the database, Defendants' website generates an application based upon the information previously submitted. Defendants' website then instructs the consumer to review and print the application form, sign it, and return it to Defendants along with a passport-size photograph.

22. For consumers applying offline, Defendants instruct consumers to complete a one-page application requesting the same information obtained online, sign the application, and mail it to Defendants along with a passport-size photograph of the applicant and of any spouse and unmarried children below 21 years of age. Consumers are also required to submit payment with the application.

23. The phrase “U.S. Green Card Lottery >> NEW! Online Registration” found at the end of the statement set forth in paragraph 18.a was added after the State Department announced its changes to the DV lottery program on August 19, 2003.

Online Immigration and Travel Document Services

24. With respect to their marketing of online immigration and travel document services, Defendants’ website includes, among others, the following statements:

- a. **U.S. Visas & Citizenship Information**
USAIS offers an Online Immigration System for applications, petitioners, and the general public. USAIS services include: Citizenship, Temporary Visas, Permanent Visas, Travel Documents, Affidavits of Supports, Green Cards, Visa Status, and more.
- b. **Official U.S. Immigration Forms**
USAIS has made it possible for foreign nationals to prepare their U.S. Immigration documents online and on their own. Complete the official U.S. Immigration forms online.
- c. **Services for U.S. Citizens**
USAIS offers U.S. citizens information and applications for U.S. Passports. Citizens may also obtain Visas to travel to other Countries.
- d. USAIS has prepared a Web-based Passport System to better assist U.S. citizens in applying for Passport Services.
- e. USAIS has made it simple for U.S. citizens to understand and prepare U.S. Passport Applications on their own. Using USAIS Web based System you

will be able to prepare your application from the comfort of your computer, saving you both time and money.

- f. **Benefits of using USAIS Online Application Preparation System:**
 - Instant access to Official Passport Forms.
 - Helps determine which forms you need.
 - Provides expedited passport services.
 - Provides you with all the help you need to complete the forms.
 - Helps you manage your application from beginning to end.
 - Provides you with detailed step-by-step instructions.
 - Gives you options to save filled out forms on your computer.
 - Provides you unlimited Web based access (with username and password).
 - Offers you options to have your forms reviewed by U.S. Immigration Professionals.

- g. **Benefits of using USAIS Online Application Preparation System:**
 - Determines which Permanent Visa you qualify for.
 - Determines which forms you need.
 - Provides you with all the help you need to complete the forms.
 - Helps you manage your application from beginning to end.
 - Provides you with easy step by step instructions.
 - Gives you options to save filled out forms on your computer.
 - Provides you unlimited Web based access.

- h. **Benefits of filling out official INS forms online:**
 - Instant access to Official INS forms.
 - INS forms available in a format that can be filled out on your computer.
 - Correct, modify, or edit information on the forms directly from your computer.
 - Options to save filled out forms on your computer.
 - Web based access (with username and password) to prepare your forms from any location at any time.
 - Print multiple copies directly from your computer.
 - Professional quality printouts.
 - Options to have your forms reviewed by U.S. Immigration Professionals.

25. Defendants charge \$9.95 to access their passport services and \$50 to access their green card services. For consumers seeking green card services, Defendants charge an additional \$9 for access to immigration forms. In each case, consumers are required to pay online using their credit card.

26. After making payment, consumers discover that, instead of being able to apply for first-time passports (i.e., passports for those who have never had a passport, those whose previous passport has expired and was issued more than 15 years ago, or those whose previous passport has expired and was issued when the applicant was a minor) or first-time green cards online, Defendants merely provide online access to government forms and require consumers to mail the forms back to Defendants. It is not possible, however, to apply for these documents online or by mail. United States citizens applying for first-time passports are required by law to appear before a person designated by the State Department to administer oaths (at the appropriate passport or post office), and swear to the truthfulness of, and sign, the application in his or her presence. Similarly, resident aliens applying for first-time green cards are required to apply in person at a local Bureau of Citizenship and Immigration Services (formerly the Immigration and Naturalization Service) office.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

COUNT I

27. In numerous instances, Defendants represent, expressly or by implication, that they are an agency of, or affiliated with, the United States government.

28. In truth and fact, Defendants are not an agency of, or affiliated with, the United States government.

29. Therefore, the representations set forth in paragraph 27 are false and misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

30. In numerous instances, Defendants represent, expressly or by implication, that their services ensure consumers' applications are submitted within government guidelines and will be included in the annual DV lottery.

31. In truth and fact, in many instances Defendants' services do not ensure that consumers' applications are submitted within government guidelines and will be included in the annual DV lottery.

32. Therefore, the representations set forth in paragraph 30 are false and misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

33. In numerous instances, Defendants represent, expressly or by implication, that consumers seeking first-time passports or first-time green cards through Defendants' services can apply online and/or by mail for those documents without appearing in person before a government official.

34. In truth and fact, consumers seeking first-time passports or first-time green cards through Defendants' services cannot apply online and/or by mail for those documents without appearing in person before a government official.

35. Therefore, the representations set forth in paragraph 33 are false and misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

Consumers throughout the United States and abroad have been injured and will continue to be injured by Defendants' violations of the FTC Act as set forth above. In addition, Defendants have been unjustly enriched as a result of their unlawful acts and practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public.

THIS COURT'S POWER TO GRANT RELIEF

37. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and other ancillary relief, including rescission of contracts, disgorgement and restitution, or other forms of redress or disgorgement, to prevent and remedy violations of any provision of law enforced by the FTC.

PRAAYER 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) Permanently enjoin and restrain Defendants from engaging or assisting others in engaging in violations of the FTC Act;

(2) Award Plaintiff such preliminary injunctive and ancillary relief 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;

Award such equitable relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of Section 5(a) of the FTC Act, including, but not limited to, rescission of contracts and restitution, other forms of redress, and the disgorgement of unlawfully obtained monies; and

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

Dated: October 1, 2003

Respectfully submitted,

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