

Complaint

121 F.T.C.

IN THE MATTER OF

RXCARE OF TENNESSEE, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3664. Complaint, June 10, 1996--Decision, June 10, 1996*

This consent order prohibits, among other things, a Tennessee-based pharmacy service administrative organization and an unincorporated trade association from: entering into, maintaining or enforcing a "most favored nations" clause in any participation agreement with any pharmacy firm; auditing any pharmacy firm for the purpose of enforcing a "most favored nations" clause; or inducing, suggesting, urging, encouraging, or assisting any person or entity to take any action in violation of this order.

Appearances

For the Commission: *Randall D. Marks* and *Michael McNeely*.

For the respondents: *W. Ovid* and *Blakeley D. Matthews*,
Cornelius & Collins, Nashville, TN.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that respondents RxCare of Tennessee, Inc., and the Tennessee Pharmacists Association have violated and are violating the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges as follows:

PARAGRAPH 1. Respondent RxCare of Tennessee, Inc. (RxCare), is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Tennessee with its office and principal place of business located at 1226 17th Avenue South, Nashville, Tennessee. RxCare is a pharmacy service administrative organization ("PSAO"), a group of pharmacies that offer themselves as a pharmacy network to pharmacy benefits managers ("PBMs") and third-party payers, such as managed care

organizations ("MCOs"), insurers, and employers who pay for prescription drugs provided as part of health benefit plans. A pharmacy network is the group of pharmacies that provides a given PBM or third-party payer with prescription drug services by filling the prescriptions of those served by the PBM or third-party payer. RxCare's pharmacy network includes at least 95 percent of all chain and independent pharmacies in Tennessee. In conjunction with Pro-Mark Holdings, Ltd. ("Pro-Mark"), a Rhode Island corporation, RxCare also offers pharmacy benefit management services, such as designing prescription drug benefit plans, providing drug utilization review services and data, and managing drug formularies.

PAR. 2. Respondent Tennessee Pharmacists Association ("TPA") is an unincorporated trade association organized, existing, and doing business under and by virtue of the laws of the State of Tennessee with its office and principal place of business located at 226 Capitol Blvd., Suite 810, Nashville, Tennessee. TPA is the largest professional association of pharmacists in the state of Tennessee and has approximately 2500 members. TPA created RxCare and is its sole shareholder. Among TPA's goals is to "define and promote appropriate compensation to pharmacists for patient care."

PAR. 3. RxCare and TPA are corporations subject to the jurisdiction of the Commission under Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

PAR. 4. The acts and practices of RxCare and TPA, including the acts and practices alleged herein, are in or affect commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 5. Third-party payers pay for about half of all prescriptions in Tennessee. RxCare provides the pharmacy network in Tennessee for major health care providers, including at least 90 percent of the state of Tennessee's TennCare program for Medicaid recipients and other uninsured citizens and all of the TennCare and non-TennCare business of BlueCross BlueShield of Tennessee, the state's largest managed care organization.

PAR. 6. RxCare is the leading pharmacy network in Tennessee, providing PBM and/or network services to MCOs and PBMs accounting for approximately 2.4 million residents of Tennessee, who represent more than half of Tennessee citizens with third-party pharmacy benefits. Because the RxCare network is the largest source of third-party business for almost all Tennessee pharmacies, it is important for pharmacies to be part of the RxCare pharmacy network.

PAR. 7. RxCare's agreements with the pharmacies in its provider networks include a "Most Favored Nations" or "MFN" clause. This clause requires that if a pharmacy in the network accepts a reimbursement rate from anyone else that is lower than its RxCare rate, the pharmacy shall accept such lower reimbursement rate for all RxCare contracts in which it participates. RxCare requires that each pharmacy in its network agree to this clause as a condition of remaining within its network, and enforces this clause against pharmacies that have accepted lower reimbursement rates from other persons.

PAR. 8. By promulgating and enforcing the MFN clause, RxCare and TPA have been acting as a combination of competing pharmacies and have acted in concert with TPA members and RxCare network pharmacies to maintain reimbursement levels for pharmacy services. Their use of the MFN clause and other activities have restrained rivalry in the provision of pharmacy benefit prescription services among Tennessee pharmacies and thereby harmed consumers by limiting price competition and entry into pharmacy network services. These activities of RxCare and TPA constitute an agreement in restraint of trade.

PAR. 9. In furtherance of such combination or agreement, RxCare and TPA have:

A. Required providers to agree to the MFN clause as a condition of remaining in, or joining, the RxCare network;

B. Enforced, and threatened to enforce, the MFN clause against network pharmacies that accept a reimbursement rate below the RxCare reimbursement rate;

C. Communicated third-party payers' offers of reimbursement that fall below the RxCare reimbursement rate and warned that acceptance of such rates might trigger the MFN clause; and

D. Urged pharmacies to refrain from participating in networks that offer reimbursement rates lower than the RxCare network rates.

PAR. 10. Because RxCare represents such a large portion of their business, most pharmacies in Tennessee would incur an unacceptable revenue loss if the MFN clause forced them to accept rates below the RxCare reimbursement rate on all of their RxCare business. As a result, the MFN clause has prevented some RxCare network pharmacies from accepting rates below the RxCare reimbursement

rate from other third-party payers. Further, since third-party payers in states other than Tennessee frequently offer reimbursement rates below the RxCare reimbursement rate, the MFN clause has forced third-party payers to pay higher rates in Tennessee than in other states. Moreover, the difficulty in establishing pharmacy networks that accept reimbursement at levels as low as the levels in other states has impeded entry by firms wishing to establish pharmacy networks or market prescription drug benefit in Tennessee.

PAR. 11. The combination or agreement and the acts and practices of RxCare and TPA have restrained competition unreasonably and injured consumers by:

A. Stabilizing reimbursement levels for third-party prescription services above competitive levels;

B. Inhibiting the establishment or expansion of pharmacy networks that could compete with the RxCare network;

C. Depriving consumers of the benefits of price competition among pharmacists with regard to participation in prescription drug benefit plans;

D. Depriving consumers of the benefits of competition among third-party payers in the establishment of prescription drug benefit plans.

PAR. 12. The acts and practices herein alleged were and are to the prejudice and injury of the public, and constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act. The acts and practices of respondent, as herein alleged, are continuing and will continue in the absence of the relief requested.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and having duly considered the comments filed thereafter by interested persons pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent RxCare is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Tennessee with its office and principal place of business located at 1226 17th Avenue South, Nashville, Tennessee.

2. Respondent TPA is an unincorporated trade association organized, existing, and doing business under and by virtue of the laws of the State of Tennessee with its office and principal place of business located at 226 Capitol Blvd., Suite 810, Nashville, Tennessee.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That the following definitions shall apply herein:

A. "*RxCare*" means RxCare of Tennessee, Inc.; its predecessors, divisions, subsidiaries, affiliates, joint ventures, successors, and assigns; and all directors, officers, employees, agents, and representatives of the foregoing;

B. "*TPA*" means the Tennessee Pharmacists Association; its predecessors, divisions, subsidiaries, affiliates, joint ventures, successors, and assigns; and all directors, officers, employees, agents, and representatives of the foregoing;

C. "*Third-party payer*" means any person or entity that provides a program or plan pursuant to which such person or entity agrees to pay for prescriptions dispensed by pharmacies to individuals described in the plan or program as eligible for coverage ("covered persons") and includes, but is not limited to, health insurance companies; prepaid hospital, medical, or other health service plans, such as Blue Cross and Blue Shield plans; health maintenance organizations; preferred provider organizations; and health benefits programs for government employees, retirees and dependents;

D. "*Participation agreement*" means any existing or proposed agreement, oral or written, in which a third-party payer, prescription benefit manager ("PBM"), pharmacy service administrative organization ("PSAO"), or other firm agrees to reimburse a pharmacy firm for the dispensing of prescription drugs to covered persons, and the pharmacy firm agrees to accept such payment from the third-party payer, PBM, PSAO, or other firm for such prescriptions dispense during the term of the agreement;

E. "*Pharmacy firm*" means any partnership, sole proprietorship, corporation, or other entity that owns, controls or operates one or more pharmacies; and

F. "*Most Favored Nations Clause*" or "*MFN*" means any agreement, understanding, or course of dealing between RxCare or TPA and any pharmacy firm under which, in the event the pharmacy firm accepts or agrees to accept from another third party payer, PBM, PSAO or other firm a lower reimbursement rate than the lowest RxCare reimbursement rate, the pharmacy firm must thereafter accept a reduction in its reimbursement rate for any or all RxCare contracts in which it participates. The term "Most Favored Nations Clause" includes, but is not limited to, any price protection clause, buyer protection clause, prudent buyer clause, consumer protection clause, meet or release clause, best price clause, or meeting competition clause.

II.

It is further ordered, That RxCare and TPA shall forthwith cease and desist, directly or indirectly, from:

A. Entering into, maintaining, or enforcing a Most Favored Nations Clause in any participation agreement with any pharmacy firm or by any other means or methods;

B. Auditing any pharmacy firm for the purpose of enforcing a Most Favored Nations Clause; or

C. Inducing, suggesting, urging, encouraging, or assisting any person or entity to take any action that if taken by RxCare or TPA would violate this order.

III.

It is further ordered, That RxCare shall, within thirty (30) days after the date this order becomes final:

A. Remove all Most Favored Nations Clauses from its agreements with pharmacy firms;

B. Distribute a copy of this order, the attached Appendix, and the complaint to each pharmacy firm with which RxCare has a participation agreement; and

C. Publish the Appendix to this order in the RxCare Update and on the "RxCare Network News" page of the Tennessee Pharmacist, or any successor publication(s).

IV.

It is further ordered, That, for the purpose of determining or securing compliance with this order, RxCare and TPA each shall:

A. Within sixty (60) days after the date this order becomes final, submit to the Commission a verified written report setting forth in detail the manner and form in which they intend to comply, are complying, and have complied with this order;

B. One year (1) from the date this order becomes final, annually for the next four (4) years on the anniversary of the date this order becomes final, and at other times as the Commission may require, file

a verified written report with the Commission setting forth in detail the manner and form in which they have complied and are complying with this order. Respondents shall include in their compliance reports all written communications, internal memoranda, and reports and recommendations concerning compliance with this order;

C. For a period of ten (10) years after the date this order becomes final, permit any duly authorized representative of the Commission:

1. Access, during office hours and in the presence of counsel, to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of respondents relating to any matters contained in this order; and

2. Upon five days' notice to respondents and without restraint or interference from it, to interview officers, directors, or employees of respondents; and

D. For a period of ten (10) years after the date this order becomes final, notify the Commission at least thirty (30) days prior to any proposed change in TPA or RxCare such as dissolution, assignment, sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries or any other change in the corporation that may affect compliance obligations arising out of the order.

V.

It is further ordered, That this order shall terminate on June 10, 2016.

APPENDIX

[Date]

ANNOUNCEMENT

The Tennessee Pharmacists Association ("TPA") and RxCare of Tennessee, Inc. ("RxCare"), have entered into a consent agreement with the Federal Trade Commission. Pursuant to this consent agreement, the Commission issued a consent order on June 10, 1996,

providing that RxCare and TPA may no longer enforce a Most Favored Nations ("MFN") clause in the RxCare network provider agreements. The MFN clause requires that if a participating pharmacy accepts a lower reimbursement rate than the lowest RxCare rate, the pharmacy shall accept its lower reimbursement rate for all RxCare contracts in which it participates. As a result of the consent order, RxCare will not require that pharmacies in its network that enter into any agreement at a lower reimbursement rate than the RxCare reimbursement rate shall accept such lower reimbursement rate for RxCare contracts.

For more specific information, TPA or RxCare pharmacy network members should refer to the FTC consent order itself. TPA and RxCare will provide a copy of the consent order to each pharmacy firm with which RxCare has a participation agreement.

Baeteena Black, Pharm. D.
Executive Director
Tennessee Pharmacists Association

Gary Cripps, Pharm. D.
Chairman & President
RxCare of Tennessee, Inc.

CONCURRING STATEMENT OF COMMISSIONER MARY L. AZCUENAGA

I join in the Commission's decision to issue a consent order prohibiting the Tennessee Pharmacists Association, a trade association of pharmacists, and its affiliated provider of pharmacy network services, RxCare of Tennessee, Inc., from employing most favored nation clauses in provider network contracts. I write separately to emphasize that this order does not call into question the general lawfulness of most favored nation clauses. Although most favored nation clauses usually raise no competitive concerns, in this case, the clause was used in furtherance of a horizontal agreement to stabilize the reimbursement rates for retail pharmacy services, as alleged in paragraph eight of the complaint.

STATEMENT OF COMMISSIONER CHRISTINE A. VARNEY

RxCare, a pharmacy network established and owned by the Tennessee Pharmacists Association, contracts with health plans to provide prescription drugs to the plans' subscribers. I have voted to issue the complaint and accept the consent order in this matter

because I agree that the most favored nations clause, in this case, may have lessened competition. But, in doing so, I want to emphasize that joint ventures by retail pharmacists can be procompetitive by injecting new competition into the market for pharmacy benefit management services.¹ I believe many of RxCare's programs can be procompetitive. The matter before the FTC concerns only one aspect of RxCare's pharmacy benefit management programs--its imposition of a most favored nations clause. By working on an expedited basis, staff has been able to identify this concern quickly and, by working closely with RxCare, has resolved it in a mutually agreeable fashion.

¹ See Prepared Remarks of Christine A. Varney, "Responses to the Managed Care Revolution: A Competition Policy Perspective," Conference of the National Ass'n of Retail Druggists, March 27, 1995.

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IN THE MATTER OF

TIMOTHY R. BEAN

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3665. Complaint, June 10, 1996--Decision, June 10, 1996*

This consent order prohibits, among other things, a California individual doing business as DMC Publishing Group from misrepresenting, in its advertisements for a work-at-home business, the profits, earnings, income, or sales from such business opportunity and prohibits any future earnings claims unless, at the time of making the representation, the respondent possesses and relies upon competent and reliable evidence that substantiates the claim.

Appearances

For the Commission: *Nicholas J. Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Timothy R. Bean, individually and doing business as DMC Publishing Group ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Timothy R. Bean is an individual doing business as DMC Publishing Group. His principal office or place of business is located at 26052 Merit Circle, Suite 107, Laguna Hills, California.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of a program to operate a publishing and printing business at home to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for his program to operate a publishing and printing business at home. These advertisements include, but are not necessarily limited to, the attached Exhibits 1 and 2, which state, in part:

- A. "Profit From Publishing and Print Brokerage At Home! Earn up to \$4,000 or More Each Month!" (Exhibit 1.)
- B. "Earn \$500 -\$5000 or More Each Month" (Exhibit 1.)
- C. "[The] 'Quick Phone Directory' ... publication alone can earn you \$4,000 or more in the first 30 days." (Exhibit 2.)
- D. "Our HOME WORKERS FIRST YEAR INCOME averages \$38,000 with 40-50% annual growth. Most are EARNING WELL OVER \$75,000 by their third year." (Exhibit 2.)

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including, but not necessarily limited to the advertisements attached as Exhibits 1 and 2, respondent has represented, directly or by implication, that the amount of the money represented by these statements is representative, or typical, of what individuals who purchase respondent's program will generally achieve.

PAR. 6. In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase respondent's program will generally achieve. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits 1 and 2, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph five, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 8. In truth and in fact, at the time he made the representation set forth in paragraph five, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph seven was, and is, false and misleading.

PAR. 9. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

EXHIBIT 1

Profit From Publishing and Print Brokerage At Home

Earn up to \$4,000 or More Each Month!

No Experience Necessary To Start!

An exclusive guide to making an excellent income at home.

Hands on, tried and true methods for success.

Valuable information not found anywhere else.

Big companies are continuing to downsize and the trend toward more home based business is even greater.

This is the best time to start your own business.

Don't rely on others to provide for your future well being.

Fire your boss before he fires you.

This book will show you how to:

- Make Money Quickly With NO Investment
- Earn \$500 - \$5000 or More Each Month
- ✓ Expand For Unlimited Growth
- Obtain FREE Business Startup Material
- Discover the Freedom of Being Your Own Boss

No Investment or Experience is Required. You can build a publishing empire from your own home.

Written by Tim Bean, a successful publisher in his own right, this book gives you the ins and outs of starting

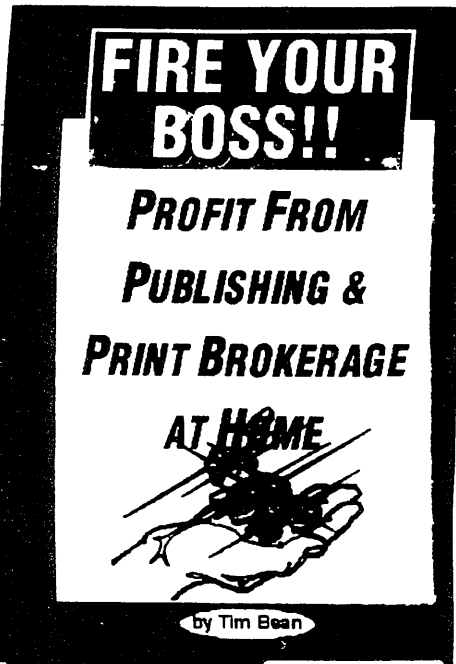


EXHIBIT 1

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EXHIBIT 1

- Acquire Your Customers
- Keep Them Coming Back
- ✓ Getting Paid Easily
- The Best Customer Service
- Advertise For Success
- Reach Specialized Markets
- ✓ Follow Up Tips
- Easy Record Keeping

Tim shares with you the best way to quickly set up your business and start earning excellent income immediately. You don't want to miss out on this chance to have your own publishing business, all from the comfort of home, think: You won't have to run down that same old rut every day. You can really FIRE YOUR BOSS!

Only \$9.95

plus \$3.00 shipping and handling

How To Order

Take advantage of this tremendous offer

ORDER NOW. Send your check or money order to

DMC Group
24002 Via Fabricante
Mission Viejo, CA 92691

-OR-

for your convenience

Phone Orders 1-714-454-1282 - Please have credit card available
Fax Orders 1-714-454-0869 - Include shipping address and credit card number

California Residents Add 5% Sales Tax



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Complaint

EXHIBIT 2

Thank you for your interest in our business opportunity.

At a minimum, you will receive:

- #1 - No Experience Needed
- #2 - No Overhead
- #3 - No Start-Up Costs
- #4 - High Profit Margins
- #5 - 100% Annual Growth
- #6 - Quick Repeat Business
- #7 - A Service That is Needed in Every Community
- #8 - Absolutely Unlimited Potential
- #9 - Ability to Start Earning Money Immediately
- #10 - Special Skills Required

Our first Free Publication will give you the training plus that will allow you to start your own printed and published material. You will be able to target and sell your own products immediately.

All businesses need printed material. Lists, brochures, letterheads, stickers, etc. are all needed. We will give you all the marketing material you need to get started.

You don't need to sell them anything THEY ALREADY HAVE A NEED FOR YOUR SERVICE. Your market and customer base is WIDE OPEN. You will build a client base of REPEAT BUSINESS that GROWS and GROWS. YEAR after YEAR. Budgets don't gettin' a raise BUT your competition's budgets gettin' a raise ANNUALLY.

You will obtain wholesale discounts on all the printed/published material that will allow you to mark up up 40-100% for retail profits.

You will be able to offer the same services for less than you local printer can offer because YOU DON'T HAVE ANY OVERHEAD. You can pass the savings on to your clients.

A FREE PUBLICATION TO GET YOU START YOUR BUSINESS.

We'll GIVE YOU Your FIRST PUBLICATION, "Quick Phone Directory", ORDER FORM and instructions on how to market and sell this publication in your local area. This publication alone can earn you \$4,000 or more in the first 30 days.

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EXHIBIT 2

It is ABSOLUTELY THE BEST SELLING and MOST PROFITABLE Publication we have produced. It is a VERY HIGH DEMAND marketing piece that you can sell also, and make alot of money. This is an EXCELLENT WAY TO BOOST YOUR INCOME and supplement your print brokerage business while building your customer base.

Our HOME WORKERS FIRST YEAR IN-TIME AVERAGE 40-50% Annual growth. Many are EARNING WELL OFF by their third year.

PLEASE ORDER OUR COMPLETE TRAINING GUIDE TODAY

"Profit From Publishing A Print Business"

*Plus you will receive our extra \$5 MONEY WAFFER and "Quick Phone Directory" marketing publication.

THE COST:
\$24.95 - \$5 Shipping & Processing

HOW TO ORDER:

- 1. "REPLY" to this message by MAIL, FAX or FAX an IRDEF FAX
- 2. CALL DMC Publishing 714 944-4444 for RUSH credit card orders.
- 3. MAIL \$24.95 to DMC Publishing
24002 FABRICANTE, STE 001
MISSION VIEJO CA 91731
- 4. FAX your order to DMC Publishing 714 944-4444

Allow 7-10 for delivery.

YOUR NAME: _____

ADDRESS: _____

PHONE: _____ FAX: _____

I AM SENDING A CHECK OR MONEY ORDER TODAY FOR \$24.95
 I PREFER TO PAY BY CREDIT CARD

CARD NUMBER: _____

EXP. DATE: _____

EXHIBIT 2

SIGNATURE REQUIRED: _____

COMPLETE 10-DAY MONEY BACK GUARANTEE!

*** A WRITTEN GUARANTEE ***
SSS THAT WILL INCREASE YOUR INCOME 100%
and IMPROVE the QUALITY of your LIFE!!

You can feel confident that you have discovered the BEST OPPORTUNITY AND REQUESTING INSTANTLY... Based Publications and Living for better Business

I can say this with complete CONFIDENCE, HONESTY AND INTEGRITY because I have answered MANY of the questions you have to see what others were thinking!

NONE of the other offers compare to the VALUABLE KNOWLEDGE and WEALTH OF INFORMATION that I have made available to you!

All of our publications and program are designed and PRINTED INHONEST and the "MONEY" HAVE

See how EASY AND FUN it is to make MONEY... PART time from home with our program!

This is your WRITTEN GUARANTEE... If you are not satisfied with this offer... For any reason, you can return it... All questions asked

If you have any questions please call free to CALL ME DIRECTLY anytime between 8 AM - 5 PM Pacific Time
714 454-1282

Sincerely,

Timothy R. Bean, President
DMC Publishing Group
24002 Via Fabricante, Suite 100
Mission Viejo, CA 92691

714) 454-1282 phone
714) 454-0869 fax

P.S. You have my NAME, you have my ADDRESS, you have my PHONE NUMBER, you have my PROMISE and my GUARANTEE. So what are you waiting for? Please order today!

"REPLY" to this message by e-mail NOW and we will MAIL you FAX an order form to you immediately.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Timothy R. Bean is an individual doing business as DMC Publishing Group with his principal office or place of business at 26052 Merit Circle, Suite 107, Laguna Hills, California.
2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondent Timothy R. Bean, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the business opportunity "Profit from Publishing and Print Brokerage at Home," or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity.

II.

It is further ordered, That respondent Timothy R. Bean, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the business opportunity "Profit from Publishing and Print Brokerage at Home," or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 10, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Complaint

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IN THE MATTER OF

BRIAN CORYAT

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3666. Complaint, June 10, 1996--Decision, June 10, 1996*

This consent order prohibits, among other things, a California individual doing business as Enterprising Solutions from misrepresenting any credit repair product, credit reporting remedy or the ability to remove adverse information in any credit report. In addition, the consent order prohibits the respondent from misrepresenting profits, earnings, income, or sales from such business opportunity.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Brian Coryat, individually and doing business as Enterprising Solutions ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Brian Coryat is an individual doing business as Enterprising Solutions. His principal office or place of business is located at 6 Harbor Way, Suite 194, Santa Barbara, California.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of various products, including, but not limited to, The Credit Repair Kit, and business opportunities, including, but not limited to, the Credit Repair Agency business opportunity, to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

THE CREDIT REPAIR KIT

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for "The Credit Repair Kit." These advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

Get the credit you deserve NOW!

* * *

The Credit Repair Kit contains over 90 pages of hard to find credit repair information. Information that, when yours, will allow you to change any credit report to reflect an excellent credit history.

* * *

Use proven techniques to permanently erase negative information contained on your credit report.

* * *

Explanations and step-by-step instructions of 7 proven techniques of deleting negative information from your credit report.

* * *

Using our proven techniques, you will now be able to erase;

Late payments	Repossessions
Non-payments	Judgements
Charge-offs	and even Bankruptcy!
Liens	

* * *

Once you have these secrets, you will have the credit you deserve regardless of your past credit experience. Bankruptcies, liens, repossessions, and late payment histories Gone!

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that consumers can remove bankruptcies, judgments, liens, repossessions, late payments, and other adverse items of information from their credit reports even where such information is accurate and not obsolete.

PAR. 6. In truth and in fact, most consumers cannot remove bankruptcies, judgments, liens, repossessions, late payments, and other adverse items of information from their credit reports where such information is accurate and not obsolete. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

THE CREDIT REPAIR AGENCY BUSINESS OPPORTUNITY

PAR. 7. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the Credit Repair Agency business opportunity. These advertisements include, but are not necessarily limited to, the attached Exhibit 2, which states, in part:

Start Your Own Credit Counseling, Credit Repair Agency!

* * *

Step-by-easy-step instructions teach you exactly how to remove errors, and even true negative items from any credit report. The going rate for this service is anywhere from \$350 to \$1000! Something you can do in 5 to 6 hours! You can earn over \$1000 a day for this service alone!

PAR. 8. Through the use of the statements contained in the advertisements referred to in paragraph seven, including but not necessarily limited to the advertisement attached as Exhibit 2, respondent has represented, directly or by implication, that the amount of money represented by these statements is representative, or typical, of what individuals who purchase the Credit Repair Agency business opportunity will generally achieve.

PAR. 9. In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase the Credit Repair Agency business opportunity will generally achieve. Therefore, the representation set forth in paragraph eight was, and is, false and misleading.

PAR. 10. Through the use of the statements contained in the advertisements referred to in paragraph seven, including but not necessarily limited to the advertisement attached as Exhibit 2, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph eight, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 11. In truth and in fact, at the time he made the representation set forth in paragraph eight, respondent did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph ten was, and is, false and misleading.

PAR. 12. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT 1

The Credit Repair Kit**Get the credit you deserve NOW!**

Everyone knows that in society today, credit is sometimes even better than cash, in fact, just a simple Visa or MasterCard can mean:

- Always having "money" in your pocket.
- A pre-approved cash loan any time you want it.
- Quick pre-approval for travel reservations, car rentals, and check cashing.

That's just a credit card. Now an A-1 credit rating can be an even more powerful tool, and when used properly, even help to fulfill your dreams! After all, most real estate millionaires and business tycoons would still be worse off if they didn't have good credit when they needed it. Once you have these credit repair secrets, you will have credit you deserve regardless of your past credit experience.

Best of all, you'll never need to discuss anything in person or over the telephone. All communication is strictly in the mail. And only one letter per week will repair most bad credit reports in less than 60 days, sometimes in less than 30 days! For even faster results, you may prefer to write all of the letters in just one evening. The choice is yours!

How can a simple letter erase bad marks from your credit report? Basically, each letter that you mail references a specific section, subsection, and paragraph of the Federal Law, a law that all credit bureaus MUST comply with! These Federal Laws are the "loopholes" that credit repair agencies have used to clear bad credit for thousands of consumers just like yourself. But you won't have to pay upwards of \$2000.00 to have your credit cleared. Because you'll do it yourself. Absolutely everything you need comes included in The Credit Repair Kit!

The Credit Repair Kit includes over a dozen sample letters. A letter for each conceivable credit problem. Each letter quotes a specific Federal Law. Just copy the letter that applies, and send it in the mail. That simple! (The credit bureaus won't have a legal leg to stand on when you use the Federal Law in your favor!)

Change "CREDIT DENIED" to "CREDIT APPROVED" in 30 days or less. GUARANTEE

That's right! Whether you've never had credit, or if your credit has been damaged in the past, just by following our simple step-by-step credit repair instructions, in just one month you will qualify for credit at any major bank or financial institution. They will not only approve your loan or major credit card request, but they will likely let you have your own credit limit. (In fact, they will often contact you first, offering you pre-approved credit cards and pre-approved loan amounts!)

The Credit Repair Kit contains over 90 pages of hard to find credit repair information. Information that, when you use it, will allow you to change any credit report to reflect an excellent credit history. (If your credit report is anything less than outstanding, you need this manual.)

Easy Step-by-Step Instructions

EXHIBIT 1

The Credit Repair Kit will take you by the hand and guide you through the step-by-step process proven to change

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Complaint

EXHIBIT 1

you and your family. Always there, if and when you need it.

It may never again be this easy to clean up your credit, and you never know when you might need it.

This is your opportunity for total financial acceptance Order today, as orders are shipped on a first come, first served basis.

Sincerely yours,
Brian Coryat
President
Home Business Solutions

P. S. The Credit Repair Kit includes ALL known techniques of credit repair, updated at least once a year with the most current information.

Complaint

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EXHIBIT 1

If I gave you step-by-step instructions how to erase all of your credit problems quickly and easily... Would you be willing to spend just a few minutes of your time to accomplish it?

Everyone knows that in America today, credit is sometimes better than cash, in fact, just a simple Visa or MasterCard can mean:

Always having "money" in your pocket.

A pre-approved cash loan anytime you want it

Quick pre-approval for hotels, car rentals, and check-cashing

That's just a credit card. Now an A-1 credit report can be an extremely powerful tool, and when used properly, can even help you to fulfill your dreams

After all, the real estate millionaires, would still be working 9-5 if they didn't have the good credit necessary to buy real-estate when the time was right

And how about the people driving the newer cars and living in the nicer homes, they also used credit for the money tool that it can be... The same powerful tool will be yours if you are willing to spend just a few minutes a week... That's right! Just by mailing one letter a week, good credit is yours!

The Credit Repair Kit contains ninety 8 1/2" x 11" wire bound pages of extremely hard to find, valuable credit repair information. Information that will allow you to take full advantage of little known credit repair secrets. Secrets previously used by thousands to erase bad credit

Once you have these secrets, you will have the credit you deserve regardless of your past credit experience. Bankruptcies, liens, repossessions, and late payment histories... Gone!

Best of all, you never have to discuss anything in person or over the telephone. All communication is accomplished through the mail. And only one letter a week will repair most bad credit reports in less than 60 days, sometimes in less than 2 weeks! For even faster results, you may prefer to mail all of the letters in just one evening. The choice is yours!

How can a simple letter erase bad marks from your credit report?

Basically, each letter that you mail references a specific section, subsection, and paragraph of the Federal Law, a Law that the credit bureaus MUST conform with. These Federal Laws are the 'loopholes' that credit repair agencies have used to clear bad credit for thousands of consumers like yourself. But you won't have to pay upwards of \$2000.00 to have your credit cleared. Because you'll do it yourself. Absolutely everything you need comes included in The Credit Repair Kit.

The Credit Repair Kit includes 13 sample letters. A letter for each conceivable credit problem. Each letter quotes a specific Federal Law (For example, "In accordance with Public Law 90-321, Title 4, Section 611, Subsection (a), I hereby petition.....")

Just copy the letter that applies, and send it in the mail. That simple! Also, the Credit Repair Kit is wire-o Bound to allow easy reading, and easy copying of the sample letters.

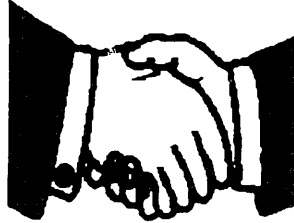
The credit bureaus won't have a legal leg to stand on when you use the Federal Law in your favor!

As President of this company, I assure you that you will be totally satisfied with The Credit Repair Kit. Of course I'm backing that up with an UNCONDITIONAL 100% MONEY BACK GUARANTEE.

When you receive The Credit Repair Kit you will immediately see how easy it is to clean your credit, and if you're like most people, you will practically run to the mailbox with your first outgoing letter. Soon after... you may find yourself buying something that you've wanted for a long time. Will it be a new car, a boat, or perhaps the home of your dreams?

EXHIBIT 1

ACT NOW! This is your opportunity for total financial acceptance!



For more information, click [HERE](#).

Stock # CRK 21-1 The Credit Repair Kit \$24.95

For ordering information, click [HERE](#).

Complaint

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EXHIBIT 1

Step 1 Use proven techniques to permanently erase negative information contained on your credit report.
 Step 2 Utilize the credit rebuilding system to add positive marks to your credit report thereby indicating you
 be in excellent credit standing.

Take a look at the features of The Credit Repair Kit

Explanations and step-by-step instructions of 7 proven techniques of deleting negative information from
 credit report.

Step-by-step instructions on how to rebuild a positive credit profile, qualifying you for credit at any bank
 or financial institution.

Major credit card sources, that allow you to obtain major credit cards regardless of your past credit history.
 YOU set your own credit limit.

Instructions how to obtain FREE copies of your credit report from the three largest credit bureaus in the
 States, TRW, TransUnion, and Equifax.

A complete copy of The Fair Credit Reporting Act, allowing you to use this important Federal Law to
 favor to delete negative information from your credit report.

Easy qualify major credit card sources.

Using our proven techniques, you will now be able to erase:

Late payments
 Non-payments
 Charge-offs
 Liens
 Repossessions
 Judgements
 and even Bankruptcy!

All the tools and techniques included in The Credit Repair Kit are 100% LEGAL and 100% PROVEN!

When you receive The Credit Repair Kit you will immediately see how easy it is to clean your credit, and if you're
 like most people, you will practically run to the mailbox with your first outgoing letter. Soon after you may find
 yourself buying something you've been wanting for a long time. Will it be a new car, a boat, or perhaps the home of
 your dreams? Even if you don't want to buy anything, just think of the extra security and peace of mind for you and
 your family!

IMPORTANT NOTICE

More than thirteen states have recently settled a law suit against TRW, the largest credit bureau, in Federal Court.
 The charges were brought about due to the enormous amount of errors found on the credit reports that they provide.
 In the settlement, TRW has begun a consumer awareness campaign, and has also indicated to the Attorney General
 that antiquated and ineffective reporting procedures will be revised to better insure accurate credit reporting. IT HAS
 NEVER BEEN EASIER TO ERASE NEGATIVE MARKS FROM YOUR CREDIT REPORT! Because the credit
 bureaus are currently under the constant pressure to reduce the amount of complaints by consumers, RIGHT NOW
 probably the easiest time ever to clear negative marks from your credit report. However, TIME IS RUNNING OUT!
 When the credit bureaus rid themselves of their present ineffective procedures, they are very likely to also rid
 themselves of loopholes. Loopholes that have allowed thousands of consumers like yourself to erase bad credit. It
 may never again be this easy to clean up your credit!

Start Your Own Credit Counseling, Credit Repair Agency!

According to a recent government study, one out of every 4 people have negative marks on their credit report that could cause denial of credit. Another ten thousand or more people are turned down for a major credit card daily!

You can help these people! And you can make a great living doing it. By offering some basic financial services, you will be helping people in your community deal with their credit related problems. In this comprehensive course, instructions teach you exactly how to remove errors, and even true negative items from any credit report. The going rate for this service is anywhere from \$350 to \$1000! Something you can do in 5 to 6 hours! You can earn over \$1000 a day for this service alone!

Besides credit repair, you'll also offer your clients many other needed services such as debt consolidation, secured credit cards, budget analysis, and legal protection from their bill collectors. This huge manual will teach you absolutely everything you need to know in it you'll learn!

Over 7 proven techniques of removing negative items from a credit report.

A "magic" letter that can stop bill collectors cold!

How to set up your own credit services office.

All the legalities you need to know to start a home business.

And so much more!

When you receive this huge three ring binder, exploding with the credit repair secrets that have made many a credit repair agent rich, you can start your journey towards financial freedom! Making a kings ransom, by helping people!

What better way could their be to earn a living and get rich.

Thousands of people are making quite a nice living in this business, now it's your turn. Remember, you have nothing to lose, only to gain!

Stock # CRA17-2

..... Credit Repair Agency \$49.95

For ordering information, click [HERE](#).

BRIAN CORYAT

Complaint

EXHIBIT 2

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Brian Coryat is an individual doing business as Enterprising Solutions with his principal office or place of business at 6 Harbor Way, Suite 194, Santa Barbara, California.

2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

1. "*Credit report*" means any written, oral, or other communication of information by a consumer reporting agency bearing on a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

2. "*Credit repair product*" means any product or service to improve a person's credit report by removing adverse information appearing therein, changing the rating of such information from negative to positive, or otherwise enhancing the person's credit report.

I.

It is ordered, That respondent Brian Coryat, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, either directly or indirectly, in writing, via a computer communications network, or by any other means, any right or remedy available under the Fair Credit Reporting Act, 15 U.S.C. 1681 *et seq.*, including, but not limited to, the ability to remove adverse information in any credit report.

II.

It is further ordered, That respondent Brian Coryat, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the Credit Repair Agency business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist

from misrepresenting, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity.

III.

It is further ordered, That respondent Brian Coryat, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the Credit Repair Agency business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

IV.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

V.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation

or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

VI.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VII.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VIII.

This order will terminate on June 10, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

IN THE MATTER OF

MARTHA CLARK

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3667. Complaint, June 10, 1996--Decision, June 10, 1996*

This consent order prohibits, among other things, a New York-based individual doing business as Simplex Services from misrepresenting, in advertisements -- via a computer communications network, or by any other means -- for a credit repair product, any right or remedy available under the Fair Credit Reporting Act, including the ability to remove adverse information in any credit report, and the legality of any credit repair product.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Michael Flaum, Albany, N.Y.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Martha Clark, individually and doing business as Simplex Services ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Martha Clark is an individual doing business as Simplex Services. Her principal office or place of business is located at 135 Kipp U., P.O. Box 36, Niverville, New York.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the Guaranteed Credit Doctor credit repair product to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the Guaranteed Credit Doctor credit repair product. These advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

Guaranteed Credit Repair

* * *

The "GUARANTEED CREDIT DOCTOR" is a very unique program designed to enable ANYONE to remove unwanted items from their credit report.

* * *

Not only will you learn how to remove unwanted items from your credit file -- you will also learn step-by-step how to establish a truly rock solid AA credit rating!

* * *

You will learn exactly, step-by-step:

How to remove derogatory information from your credit file at all major credit bureaus ...

How to remove judgments, including BANKRUPTCY from your credit file!

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including, but not necessarily limited to, the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that consumers can remove bankruptcies, judgments, foreclosures, liens, repossessions, late payments, and other adverse items of information from their credit reports even where such information is accurate and not obsolete.

PAR. 6. In truth and in fact, most consumers cannot remove bankruptcies, judgments, foreclosures, liens, repossessions, late payments, and other adverse items of information from their credit reports where such information is accurate and not obsolete. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

You finally will be able to get that new car, a new house or a major credit card, regardless of your current credit rating!

BUT WE DON'T STOP THERE!

Not only will you learn how to remove unwanted items from your credit file -- you will also learn step-by-step how to establish a truly rock solid AAA credit rating!

**AFTER ALL, YOU DON'T WANT TO BE STUCK WITH 'NO CREDIT'
AFTER GETTING RID OF YOUR BAD CREDIT!**

You would probably expect to pay a lot of money for this type of information, let alone the software. It is our mission to help you on your road to financial recovery, NOT TO RIP YOU OFF -- therefore we are making the "GUARANTEED CREDIT DOCTOR" available at an unbelievable price! The cost of this program is only \$35.00 (plus \$4 s&h), covered by a 90 day MONEY BACK GUARANTEE. You really have nothing to lose!

You will learn exactly, step-by-step:

How to remove derogatory information from your credit file at all major credit bureaus. (Yes, there are several and they share information. You MUST have corrections made to files at all major bureaus.)

How to remove judgements, including BANKRUPTCY from your credit file!

How to re-establish your credit rating, building a rock solid rating in 90 days or less!

How and where to get a major credit card, GUARANTEED and without having to pay an 'application fee' or some other silly nonsense!

You also receive professional credit repair software that not only guides you through the entire process, but also...

...composes and prints all necessary forms, letters, demands, etc. for you. All you do is enter your personal information and push a button.....!

**THE INFORMATION AND SOFTWARE PACKAGE ARE SO POWERFUL
THAT YOU QUITE LITERALLY COULD SET UP SHOP AND BECOME A
CREDIT REPAIR SPECIALIST YOURSELF!**

Do you know anyone that has credit problems? Most of us do!

This is your chance to reclaim the privileges available to those with impeccable credit! To order your copy of the "GUARANTEED CREDIT DOCTOR," choose from the buttons below....

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Simplex Services

Providing innovative products & services for the entrepreneur

Email to: details@mclark.entrepreneurs.net

Cavalcade: <http://www.simplexservices.com/mclark/>

(518) 784-3700-voice or (518) 784-5827-fax

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Martha Clark is an individual doing business as Simplex Services with her principal office or place of business at 135 Kipp U., P.O. Box 36, Niverville, New York.
2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

1. "*Credit report*" means any written, oral, or other communication of information by a consumer reporting agency bearing on a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

2. "*Credit repair product*" means any product or service to improve a person's credit report by removing adverse information appearing therein, changing the rating of such information from negative to positive, or otherwise enhancing the person's credit report.

I.

It is ordered, That respondent Martha Clark, her agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, either directly or indirectly, in writing, via a computer communications network, or by any other means, any right or remedy available under the Fair Credit Reporting Act, 15 U.S.C. 1681 *et seq.*, including, but not limited to, the ability to remove adverse information in any credit report.

II.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of her officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of five (5) years from the effective date of this order deliver a copy of this order to each of her future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

III.

It is further ordered, That for a period of five (5) years from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of her present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include her new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

IV.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which she has complied with this order.

V.

This order will terminate on June 10, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

IN THE MATTER OF

SHERMAN G. SMITH

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3668. Complaint, June 12, 1996--Decision, June 12, 1996

This consent order prohibits, among other things, a Utah-based individual doing business as Starr Communications from misrepresenting, in advertisements for a work-at-home business, the income, earnings, or sales from any business opportunity and prohibits any claims concerning past, present, or future earnings unless, at the time of making the representation, it possesses competent and reliable evidence to substantiate the claim.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Robert Archuleta, Salt Lake City, UT.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Sherman G. Smith, individually and doing business as Starr Communications ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Sherman G. Smith is an individual doing business as Starr Communications. His principal office or place of business is located at 78 West Broadway, No. 2007 North, Salt Lake City, Utah.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the "U.S. Government Tracer Business Program" to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

Complaint

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PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the "U.S. Government Tracer Business Program." The advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

Would You Like To Make \$800 - \$4,800 Per Week Or More,
Working At Home? Well you can!

* * *

You can help people get refunds due them after they've paid off their mortgages. It's extremely easy! You can do it from home as an Independent U.S. Government Tracer.

* * *

There's no shortage of refund recipients. I've been a "Govt. Tracer" since 1989, making an average of \$5,423.72 per month. And I do this mostly part time!!! ... about 4 hours a day, 3 to 4 days a week.

* * *

I'll show you how to make from \$200 to as much as \$1,200 every time you help someone get their money back.

* * *

The average refund is \$800.00 to \$1,500.00, which makes your 20% - 30% fee equal to \$240.00 to \$400.00. ... The highest refunds are around \$4,000.00 your fee would be around \$1,200.00.

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that the amount of money represented by these statements is representative, or typical, of what individuals who purchase the "U.S. Government Tracer Business Program" will generally achieve.

PAR. 6. In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase the "U.S. Government Tracer Business Program" will generally achieve. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph five, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 8. In truth and in fact, at the time he made the representation set forth in paragraph five, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph seven was, and is, false and misleading.

PAR. 9. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT 1

Subj.: \$800 - \$4800 /wk From Home
Date: 95-06-29 16:11:56 EDT
From: JStarrComm

Would You Like To Make \$800 - \$4,800 Per Week Or More,
Working At Home? Well You can!!

Its extremely easy and you can do it in the comfort of your own home.
Full or Part Time, No exp. needed.

For a FREE report by E-mail, E-mail your name and address to:

HUD_Info@mailback.com (for an immediate response)
or to: JStarrComm (here on America OnLine)
(Just hit<Ctrl> M right now!)

or browse our web page at: <http://www.intele.net/~aimies>

Subj: Home Business Opportunity
Date:
From:
To:
BCC:

Dear Friend,

Thanks for your interest!!

I've tried to keep it simple and explain as much as I can in this free e-mail report.

You can help people get refunds due them after they've paid off their mortgages. It's extremely easy! You can do it from home as an Independent U.S. Government Tracer.

Most of these people have no idea that the Government even owes them money. You get paid to find them (it's easy and I'll show you how), tell them, and fill out one form.

*** Set Your Own Hours ***

Your hours are up to you. _You_Get_Paid_ to help people get their own money back.

*** Get paid for giving people their own money ***
What could be easier?

There's no shortage of refund recipients. I've been a "Govt. Tracer" since 1989, making an average of \$5,423.72 per month. And I do this mostly part time!!! I

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Complaint

don't work another job, and I only work at this about 4 hours a day, 3 to 4 days a week.

I hope you get as excited about this as I am, there's a lot of money to be made if you just have the desire to make it!

I'll show you how to make from \$200 to as much as \$1,200 every time you help someone get their money back.

*** You can do this from any state, for any state ***

First, please read everything carefully so you completely understand. After you have, if you have any questions, please feel free to call me, Jaimie, on my "direct personal line" at (800) 672-0287, after 2:00pm MT (for best results).

Second, everything I present here is legal, moral, practical, and can be verified by the Federal Government. In fact... They want you to do this. That's why they set this program up in the first place. If you'd like to check it out you can call them at (703) 487-4070 or (703) 235-8117.

*** Here's How It Works ***

Everyone who purchases a FHA/HUD home has to pay a MMI or MIP insurance policy on the loan. This does two things. It enables them to borrow with less down and at the same time, guarantees the lender that if the borrower defaults on the loan, the Federal Government (HUD/FHA) will step in and pay the loan. This helps millions of people buy homes who otherwise never could.

Each borrower is told if they pay back the loan in good faith, they're entitled to a refund on the MMI or MIP insurance policy. When they pay off their loan, they forget to call and ask for their refund.

HUD and FHA tries to contact them by mail, but if they don't respond to the letter, the money goes in a fund for these refund recipients. For years the money has been piling up and today there are MILLIONS and MILLIONS of UNCLAIMED DOLLARS in the fund!

*** Here's A Little More Information ***

Finally, in 1986, the government stepped in and told HUD/FHA that they had to figure out a way to get the money back to the people.

Well, HUD/FHA didn't want to eat the tremendous administrative costs to do that, so HUD/FHA came up with Great Way to solve the problem.

They decided to let anyone who wanted a chance to earn some extra money or go into business for themselves be a third party processor. You're allowed to find them, let them know they have an unclaimed refund owed to them, and receive a reasonable commission for doing so.

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The Catch is . . .
They Won't Teach you How To Do It.
But I will !!!

I'll show you, step-by-step, how to become a processor.
I'll show you how to contact the people who have money due them.
I'll tell you exactly what to say and . . . this is Extremely_Important_

*** How to Do the Paperwork ***
(there's very little but it must be done right)
And . . .
How to Make Lots of Money Doing So

This isn't some "hokey" -- "Get Rich Quick Scheme." This is a STEADY, HONEST, AND LUCRATIVE MONTHLY INCOME from providing a real (but easy and necessary) service.

It's Actually Kind of Fun!

Plus . . . You Get the Freedom of Setting Your Own Hours!!!
Just like I do. :)

Everything you need to get started is included in my easy to use software package.

Here's the most common questions people ask me when they find out I'm in this exciting sort of "Good Guy -- Bounty Hunter" line of work.

Question: Is it legal?
Answer: Yes, In every way.
Question: What's stopping me from ordering the list from HUD/FHA myself and becoming a processor?
Answer: Nothing! But . . . there is absolutely no way you'll know -- How to contact these people -- What to say -- How to do the paperwork or . . . How to Get Paid RIGHT AWAY! I've already worked all of that out for you. Which will save you a lot of time and aggravation.
Question: What is the average refund?
Answer: The average refund is \$800.00 to \$1,500.00, which makes your 20% - 30% fee equal to \$240.00 to \$400.00. If you wanted to, you could work only on the cases where the individual has over \$1,200.00 coming back. The highest refunds are around \$4,000.00 your fee would be around \$1,200.00.
Question: How long will it take from the day I begin till I start making money?
Answer: You can start making money the same day, but it will usually take a week or so to actually get a check in your hands. I'll show you how to get paid the same day you disclose the information to the individual.

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- Question: Do I have to do a lot of mailing?
 Answer: No. I'll teach you how to do most of the work (75%) over the phone.
- Question: How many people have money owed to them?
 Answer: When you order your state list you'll see that there are thousands of people with money due them.
 It depends which state you're going to work in. If you order, say, the California list, you'll see it could take forever to get through them all.
 Literally Millions of dollars are owed to thousands of people as a result of this program.
- Question: Do I get paid by HUD/FHA or by the people who have money owed them?
 Answer: By the people. I'll explain how to do that, step-by-step. It's very simple
 In no case will HUD/FHA make out a separate check payable to you. Some other programs claim that the government will send checks directly to you.
 While this isn't a lie, it's a very difficult (and totally unnecessary) process to go through. I'll show a much easier and quicker way to get your money.
- Question: Does HUD/FHA require you to be licensed?
 Answer: No. HUD/FHA requires no license because you're not dealing directly with these funds.
- Question: This sounds too good to be true, Is it?
 Answer: I want you to know everything is exactly as I say. If you like. You can verify everything through the Federal Government by calling them at (703) 487-4070, and call me if you have any other questions at (800) 672-0287.
 This truly is a great way to make a lot of money and help people at the same time.

The "Freedom of Information Act" enables HUD to release the names of people who haven't claimed their refunds. And made this program possible.

These people aren't hiding! They just aren't aware that they are owed this money!

And. . . There are Tens of Thousands of them. People who have money due them. And you. . . can make money just helping them get the money they rightly deserve.

I'm sure you can see the potential here, can't you?

This is legitimate business opportunity. There is a lot of money to be made and it's not difficult work at all! You just need to apply yourself and do it. Nothing could be simpler.

PLUS. . . I'm always available to assist you, if you have any questions. and best of all . . .

* * * ITS GUARANTEED * * *

It's completely, 100% money back Guaranteed !!! If after trying the program, it doesn't work exactly the way I've stated, or you can't make a reasonable income using the program, you will be entitled to a full refund of your program price.

And Here's Even More Good News. . .

If you order your U.S. Government Tracer Business Program within the next 15 days, you'll receive a 25% discount off the regular price of \$56.00! You'll Save \$14.00!!

To get your complete Tracer Business Software Package on How To Run this Business, which includes everything you need to get started, for just \$42.00, you have several easy options:

- Phone Check: 1) Have your check book handy.
2) Call Jaimie @ 1-800-672-0287, 3 p.m. to 11 p.m. MST, Mon-Sat.
- E-Mail Check: 1) E-Mail your name and address EXACTLY as they appear on checks, your phone number for verbal authorization, banks name and address as it appears on checks.
2) The amount of the check.
3) The entire number across the bottom of the check, (use dash for blank spaces). And the fractional number up near the check number. Please indicate like this: 31-73/1240
4) Send E-Mail to any of the following:
JaimieS@intele.net
JStarrComm@aol.com
74737.1005@compuserve.com
- FAX Check 1) Make out a check to: Starr Comm. Be sure to include delivery instructions, either a home address or an e-mail address.
2) Then, simply fax your check and delivery info to: (801) 264-8647
- Credit Card: 1) Use your VISA, or MasterCard.
2) Phone, E-mail, or U.S. Mail your order.
3) Include your name EXACTLY as it appears on the card, your address, your phone number for verbal authorization, and the billing address for that card.
4) The amount of the charge.
5) The credit card number and expiration date.
6) Don't forget to sign it!!
- U.S. Mail 1) Use the handy order form at the end of this file and send a check or money order for just \$42.00 + \$3.00 shipping and handling to:
STARR COMM.
4516 S. Triton Dr., Suite D
Murray, Utah 84107

Thanks again for your interest,

Jaimie Starr

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Complaint

P.S. I hope you decide to take me up on this offer and get your complete software package to get started making money today. Because, You really have everything to gain and nothing to lose. It's an easy way to make good money right from your home. (I've been doing it for years.) and

. . . it's 100% guaranteed. But if you're still not sure it's right for you, Please feel free to call me on my "direct personal line" at (800) 672-0287.

P.P.S. You Can Save Even More -- You can save the shipping charges, and get the program instantly -- via E-mail. It saves me having to stuff and mail an envelope, plus you can get going right away. Just let me know with your order.

But remember to let me know about your system too (i.e. IBM Comp., Mac, Windows, Etc.).

Thanks! :)

-----ORDERFORM-----

Name _____

ScreenName _____

Address _____

City: _____ State: _____

Zip: _____

Name on Credit Card: _____

Card Number: _____

Exp. Date: _____ Amount \$ _____

Signature: _____

Phone (_____) _____

System: _____

If you are seriously interested in being your own boss, working at home, and making good money then this opportunity is for you! Remember, this special discount offer expires in 15 days.

So . . .

DON'T DELAY ORDER TODAY!

P.S. I also can show you how you can accept checks by E-mail/Fax/Phone. E-Mail for more information.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, his counsel, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Sherman G. Smith is an individual doing business as Starr Communications with his principal office or place of business at 78 West Broadway, No. 2007 North, Salt Lake City, Utah.

2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondent Sherman G. Smith, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "U.S. Government Tracer Business Program," or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity.

II.

It is further ordered, That respondent Sherman G. Smith, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "U.S. Government Tracer Business Program," or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any paragraph in this order that terminates in less than twenty years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Complaint

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IN THE MATTER OF

ROBERT SERVISS

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3669. Complaint, June 12, 1996--Decision, June 12, 1996*

This consent order prohibits, among other things, a Connecticut-based individual doing business as Excel Communications from misrepresenting, in advertisements for a work-at-home business, the income, earnings, or sales from any business opportunity and prohibits any claims concerning past, present, or future earnings unless, at the time of making the representation, it possesses competent and reliable evidence to substantiate the claim.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Walter Diercks, Washington, D.C.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Robert Serviss, individually and doing business as Excel Communications ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Robert Serviss is an individual doing business as Excel Communications. His principal office or place of business is located at 2169 Summer Street, Suite 115, Stamford, Connecticut.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the "ON-LINE Profits Made Easy" business opportunity to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the "ON-LINE Profits Made Easy" business opportunity. The advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

YOU CAN MAKE \$1000 A DAY WORKING FROM HOME!

This opportunity is so fantastic, you can make \$1000 a day working from home in an easy, pleasant business.

Consider this: If you make just one \$25 sale per day (7 days a week) on 145 computer Bulletin Board Systems (out of 70,000) -- you are earning over \$100,000 a month! Can you make just one \$25 sale a day on 145 B.B.S.s? If so, you can earn \$100,000 a month! Yes it can be done!

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that the amount of money represented by these statements is representative, or typical, of what individuals who purchase the "ON-LINE Profits Made Easy" business opportunity will generally achieve.

PAR. 6. In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase the "ON-LINE Profits Made Easy" business opportunity will generally achieve. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph five, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 8. In truth and in fact, at the time he made the representation set forth in paragraph five, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph seven was, and is, false and misleading.

PAR. 9. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT 1

Subject: Re: Making money
Date:
From:
Reply-to:
To:

YOU CAN MAKE \$1000 A DAY WORKING FROM HOME!
A COMPLETELY DIFFERENT APPROACH
TO ELECTRONIC MARKETING.

READ MY MESSAGE AND DISCOVER WHY A SANE
PERSON WOULD REVEAL THIS KIND OF SECRET!

(Please do yourself a big favor and print out this report. It contains a lot of information and there is a time limit given below to receiving \$1,663 worth of FREE gifts!)

Dear Friend:

As a computer user and recipient of this report I know you are wondering: Can I really make BIG PROFITS ON-LINE? Can I make serious money without any special computer skills?

The answer is YES! This opportunity is so fantastic, you can make \$1,000 a day working from home in an easy, pleasant business. The reason I can predict such success is simple. What I am about to tell you is revolutionary! In fact, it may be . . .

THE HOTTEST MARKETING BREAKTHROUGH OF ALL TIME.

My name is Robert Serviss, Jr.. I live in Connecticut. I am writing this letter on a couch with my laptop at home. This is where I have "worked" for the past two years. I know what you are about to read will be hard to believe. And it will probably be even more difficult for you to believe that you too can make money using my system. But, I hope you'll hear me out. I may be the guy who improves your financial future in a BIG way.

I WOULD HAVE NEVER GUESSED
I WOULD HAVE THIS OPPORTUNITY.

This is not some pie in the sky theory. My electronic marketing system is full of practical, proven information. I offer you the opportunity to work with me. You may get to know me, and even get my private phone number.

I am an opportunity junkie. Over the years I have bought more tapes, books, programs and opportunities than I care to mention. Why? I hated working for someone else. I had a "nice" job but it kept me away from home for long periods of time. I felt stuck. I wanted more time with my family, and more time to pursue my favorite recreational activities. I didn't want to wait until 65 to have fun.

Much of what I sent away for was useless. It was either too complicated, just plain insulting, or involved risking a lot of money. I can remember promising to myself then that if I ever found a money making system that actually worked I would share it with anyone willing to learn.

About two years ago, I discovered the on-line computer services, the Internet, and the B.B.S.s. They offered the opportunity I had been waiting for. Why? Because electronic marketing combines the best of all worlds. It is low cost, minimal work, has practically no risk, and HUGE profit potential. Furthermore, no advanced computer, business, or marketing skills are necessary to succeed. Let's take a closer look.

LEARN TO MARKET PRODUCTS OR SERVICES ON-LINE!

There has always been a lot of money to be made through direct selling. You could place ads in newspapers and magazines and respond to inquiries through the mail. But, times have changed. If you possess a computer and a modem you can easily make big on-line profits without big expenses.

THE PAST: For many years, people have made big money selling information in traditional direct mail campaigns. It works something like this.

Assume you wanted to sell an information package on how to improve credit. This is a 'hot' topic and it is easy to compile the information once you know how. First, you would run lead generating ads in national publications. Your ad would include an offer for a free report and a 1-800 number for people to call and respond.

Second, you would send a sizzling sales letter to those people who answered your ad. This letter would attempt to sell your information package about improving credit.

Third, you would mail out your package to those who ordered.

Take a look at the associated expenses. you might run 1/6 of a page lead generating ads in the National Enquirer, STAR, and Popular Science. The total circulation would be about 7,800,000. You would spend an estimated \$13,000 to reach them. That's thirteen thousand dollars.

And there are more expenses, add the cost of your 1-800 line (about \$1 per call), mailing information (\$.50 per piece) and fulfilling your orders. Your costs are HUGE. Any profits?

Let's use some industry 'standards,' to calculate. About 1/2 of 1% of the circulation would call for information (that's a great %) and about 5% of those would order your \$49.95 information package. If it costs you \$5 to print and mail your book, your total costs become approximately \$81,250. Your total income would be about \$97,400, making you a little over \$16,000. This is a large profit but do you have the \$81,000 to risk on the ad campaign? And do you want to take the risk? Now you don't have to. That was all in the past.

WHAT MAKES ON-LINE MARKETING SO EXCITING?

THE PRESENT AND FUTURE:

Imagine for a moment that all of the magazines let you run your ads - FREE!

What would happen? You'd save a huge \$13,000. Add this to your profits from the past and you're now making \$29,000 instead of \$16,000. Are you getting excited yet? There's more!

Now, let's say the 1-800 service doesn't charge you the \$1 per call. They take your calls at no cost to you! In the past you were paying \$1 per call for about 39,000 calls. Now, you just saved \$39,000. Your profits have jumped to \$68,000!

But Wait, There Are Still More Savings!

Throw away the cost of mailing your sales letter! That's right, with electronic marketing it is possible to eliminate this expense as well!

You'd save another \$19,500. Making your total profits \$ 87,500.

Does this get you excited? Are you beginning to see what I am so excited about? Wouldn't you love to make this kind of money yourself? Then please read on!

The only expense left is printing and mailing your book. No way around this expense, right? WRONG! My system, ON-LINE Profits Made Easy, affords you the opportunity to eliminate this expense as well.

With electronic marketing, you can place Free ads in front of the Internet's estimated 30 million users, Free ads on America Online (about 2 million users), Free ads on a large number of the 70,000 B.B.S.s or pay a whole \$3 to place an ad in front of CompuServe's 3 million! It is hard to lose at these prices!

When people reply to your ads (and using what I teach you, they definitely will), you simply e-mail your free report - your sales letter in disguise. When people order, you can e-mail them the information. That is the present and future of marketing.

Now, just take a minute to imagine what it would be like to make 1,950 sales at \$49.95 each. Your expenses are close to zero and you earn profits of about \$97,000 - pure profit. Wouldn't this be fantastic! How could it change your life?

I DON'T EXPECT YOU TO BELIEVE A WORD OF WHAT I'M SAYING.

Heck! I sometimes have to kick myself to make sure I'm not dreaming. Is it for real? "Impossible," you say? It's something that exist only in one of your dreams, right?

At one time, I could have felt the same way myself. But what I learned is amazingly simple. There is money to be made. Anyone can do it in just a few hours a week from the comfort of their own home!

No more need to miss Little League games or school plays or any family events. Let someone else fight the traffic during rush hour. You can stay home and have time to golf, shop, fish or whatever it is you like to do.

Listen, I have studied hundreds of electronic marketing campaigns. I have spent the past months running ads on-line, learning what works and why.

Now that you understand just how easy it is, why do you need me? Because you still need to learn the secrets and tips to ensure that you have products or services that sell and that you know how to market them. There are methods that work and methods that won't.

Plus, I offer you the opportunity to work directly with one of the most successful on-line marketers - me. I have turned my business into a step-by-step system that anyone can use.

**** I WILL GUARANTEE EVERYTHING. I KNOW IT IS HARD TO BELIEVE, BUT WHAT IF I'M RIGHT? ****

I have put together a totally new and totally exciting package entitled, ON-LINE Profits Made Easy. It is available for IBM (3.5) or MAC. It contains

everything you need to know and everything you need to do to get started making serious money immediately. All that I know will be yours:

- * What sells ON-LINE.
- * 40 of the hottest information packages that you can sell (Deluxe System only)
- * The one secret that will double the number of orders you get.
- * Exactly how to sell ON-LINE step by easy step.
- * How to write winning ads that will keep your pockets full of cash.
- * 6 essential steps for Huge ON-LINE Profits! You cannot fail!
- * Where to advertise on the Internet.
- * How to locate the Bulletin Board Systems.
- * How to sell ON-LINE when you are not allowed to sell.
- * 13 closely guarded secrets to make your ON-LINE marketing 100% more effective without costing you a penny. You won't read about these anywhere else.
- * How to start RIGHT NOW - without leaving your job, with just a few hours a week.
- * How to Live the Dream - a worry free, hassle free, home based business.
- * How to put your business on 'Auto-Pilot' and still earn Huge Profits.
- * How my complete business works with examples of my sales letters, my classified ads and my postings.

WHY AM I NOT KEEPING THIS TO MYSELF?

First, something as exciting as electronic marketing won't remain a secret for long. In fact, seminars about on-line marketing costing thousands of dollars to attend already exist.

Second, it takes nothing away from me to share with you everything I've discovered. You see, each person can apply my system to different products and services.

Finally, I remember how frustrating it is to feel trapped in a depressing job. To see others doing better and wondering, Why not me? And to send away for opportunities only to receive useless trash. So I decided to create a straight forward, guaranteed offer to help people. I get excited just knowing that anyone can use my system and generate \$1,000 per day, or more, in a home based business.

WHAT YOU WILL RECEIVE

The main manual titled: "ON-LINE Profits Made Easy."

This is not a cheap "book on disk," that will cause your eyes to strain as you stare at your computer screen trying to read it. This is a complete, hard bound manual.

Plus if you order within 4 weeks of receiving this letter (we track it by, what else, our computer) you will receive the following free gifts:

FREE GIFT #1

LISTEN CLOSELY! THIS IS AN EXTREMELY VALUABLE OPPORTUNITY SO PLEASE READ THE FOLLOWING CAREFULLY.

I am often asked by on-line entrepreneurs to do phone consultations an/or review their sales material. But I will only do so, for non-members, at \$100 a pop.

Included in your package will be three very valuable coupons.

ONE coupon allows you up to ONE HOUR of phone consultation (must be prearranged).

Two coupons allow you to send me (snail mail or e-mail) any ad, sales letter, promotional piece, etc., for my review. (Please allow 2 weeks for a response. Phone inquiries are not available for this.)

You get \$300 worth of expertise and time, FREE. All that I know will be handed to you on a silver platter!

FREE GIFT #2

A HALF YEAR SUBSCRIPTION TO MY NEWSLETTER TITLED: "THE LETTER: ON-LINE PROFITS MADE EASY."

I have found that things on-line change quickly. What worked one month may not the next. The newsletter allows me to keep you current on on-line marketing issues.

In 15-20 minutes every issue will give you crucial tips, techniques, and the latest strategies for marketing on-line!

The cost for an annual subscription is \$97. The first half year is FREE!

FREE GIFT #3

A SIX WEEK COURSE ON NAVIGATING THE INTERNET

You want to make money on-line right? Then you must learn to use the Internet. This course will, in simple terms, explain how to use newsgroups, mailing lists, the World Wide Web, and more! This course cannot be sold, so I can't put an exact value on it. I estimate its value to be at least \$200, if not more.

WANT MORE VALUE?

If you prefer, I have put together, a Deluxe system. In it you will get everything in the Basic System plus . . .

+ 40 of the hottest information reports you can sell. These reports range in size from two to thirty pages each. Many of them are on business topics such as writing ads, sales letters, business plans, etc. All of them sell like crazy on-line. You will receive full reprint rights to these reports.

And if you order before your 4 weeks are up you also get:

FREE GIFT #4 (Deluxe System Only)

A DEALERSHIP OPPORTUNITY

At your option, you can work directly with me. That's right! First I will teach you how to make money on-line, then I will help you actually do it!

When selling through your dealership, I'll handle filling your orders and collecting payments. I have a 1-800 number you can use, which is all set up. And I accept credit cards and checks. This flexibility will bring in more orders for you. And think about how much money you will SAVE in setting up your business.

I'll bet you are wondering how you get paid when using your dealership. Good question! Here is the answer.

For use with your dealership, you will receive a four digit number. Use it as an extension number. For example, in your sales letter you will write, "To order please call 1-800-555-5555 Ext. 5555." The operator will ask for an extension number when taking an order. That is how I will know to pay you. Complete instructions in your package will explain why this is the fastest and easiest way to profit on line.

FREE GIFT #5 (Deluxe System Only)

"E-MARKETING" BY SETH GODIN, CO-AUTHOR OF GUERRILLA MARKETING, THE BEST SELLING MARKETING SERIES.

This 200 page gem of a book tracks the past and the future of marketing. I refer to this book often. It is a great resource. It retails in book stores for \$14.95. You will get an electronic version absolutely FREE.

Okay now for the prices. How much would it be worth to you if I showed you how to make \$1,000 (or more) per day? \$500, \$1000, \$1,500? Your investment for everything in the Basic system is only \$97 (plus \$5.95 for shipping and handling). Or just \$147 (plus \$6.75 for shipping and handling) for everything, in the Deluxe system. Take a moment now and review everything you will receive. Look at the real value here:

Package	Separate Purchases	Basic System	Deluxe System
ON-LINE Profits Manual	\$97	\$97	\$97
Consultation Coupons	\$300	FREE	FREE
Newsletter Subscription	\$48	FREE	FREE
Internet Course	N/A (worth \$200)	FREE	FREE
40 Outstanding Reports	\$187	N/A	(Only) \$50
Dealership Includes Use Of:			
Order Taking Service	\$200	N/A	FREE
Credit Card Acceptance	\$700	N/A	FREE
Fulfillment of Orders	\$200	N/A	FREE
"E-Marketing"	\$15	N/A	FREE
TOTAL VALUE	\$1,947	\$645	\$1,947
Your Price	N/A	\$97	\$147
Total Savings	N/A	\$548	N/A
Complete Package Savings	N/A	N/A	\$1,800

Either way, with the Basic or the Deluxe System you have a 90 day 'GUARANTEE!'

The system will be everything I describe and more. You will agree the system is worth far more than what you pay for it. If for any reason you not happy with it, you can return everything for a full refund.

You see, you have absolutely no risk. I only want to work with successful and happy students.

WOULD YOU LIKE MORE GOOD NEWS?

If you use either Visa, Mastercard, or Discover, you can pay half now, and the balance 45 days from NOW!

Is this amount a lot or a little? I don't know you, yet, so I can't say. Maybe this is a stretch for you, maybe it isn't. But I do know there is no other way for you to easily get a complete turnkey on-line business and make thousands of dollars. Oh, I suppose you could go at it alone. But this WILL COST you a lot more money and take a long, long time.

Complaint

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It looks like you have a decision to make. You can turn your back on me and walk away. But, before you do, consider this: By requesting this report, you have shown an interest in creating a very high income in an easy, home based business. If you are sincere, walking may very well be a difficult thing to do. I'm no different than you. I have tried many plans and opportunities only to be frustrated time and time again. So I can say, from experience, my system will be one of the few, maybe only, 'true' opportunities you will receive.

You can also put it off. Go ahead, tell yourself that "someday" you' will take action to achieve your dream of independence and freedom. Someday when the timing is better. Let's be adults. You and I both know where that path leads. It leads to the "someday isle" of Fantasy Island (Do you remember the t.v. show?). You know someday I'll do this or someday I'll do that. But the someday never comes. So have the courage to either go forward or to toss this opportunity aside. There is no "in-between" choice. So make a decision and put your mind at ease!

The only other option you have is to ACT! Please follow the directions on the order form below. I hope you will join us today. On-line marketing is in its infancy and the profit potential is enormous. Those who get in early will reap the biggest profits. And I will be guiding you step by step.

If you still have questions or if you are still skeptical call me at 1-800-348-3454. I'd be happy to discuss your personal situation and see if this system is what you are looking for. After all the call is free and what is the worst that can happen: you waste a few minutes of your time. Go ahead and call, you never know, you might like what you find out!

And if you are experiencing a money crunch, don't forget the installment plan! The basic system can be split into two easy installments of only \$48.50! First Payment with the order, the second payment 45 DAYS FROM NOW!

The Deluxe system can be split into two easy payments of only \$73.50! 1st payment with the order, the 2nd payment not until 45 DAYS LATER!

I guarantee your satisfaction!

Sincerely,

Robert Serviss
President, Excel Communications

P.S. Consider this: If you make just one \$25 sale per day (7 days a week) on 145 computer Bulletin Board Systems (out of 70,000) - you are earning over \$100,000 a month! Can you make just one \$25 sale a day on 145 B.B.S.s? If so you can earn \$100,000 a month! Yes it can be done!

ORDER FORM

In Order to receive your FREE GIFTS with the order of either system you must order within 4 weeks from the date this message was sent to you. (Remember, we track this with our computer so don't delay.)

NO RISK MONEY BACK GUARANTEE!

If you are not completely satisfied with your course, simply return it within 90 days for a no questions asked full refund (less the shipping and handling).

To Enroll:

Using Visa, Mastercard, or Discover

a) Call 1-800-459-6658, Ext. 10, 24 hours a day. Do it NOW!

(For international orders call 706-854-4405, Ext. 10 Canadian orders add an additional \$5 and all other International orders add an additional \$10 for shipping and handling.)

(Note: please don't call the above 1-800 number with questions. That number does not ring in my office. The person there will only be able to take your order. I will not even get a message. I would enjoy talking with you and answering your questions but, for that please call 1-800-348-3454.)

OR

b) Mail your credit card number, expiration date and signature (please include your postal and e-mail addresses) to Excel Communications, 2169 Summer Street, Suite #115, Stamford, CT 06905. If paying by check please make it payable to Excel Communications. And please tell me if you have a MAC or IBM (3.5).

OPTIONS:

1. _____ Yes, Rob I want to make a serious money in an easy pleasant home based business. Please send me the "Basic System." Which includes the "ON-LINE Profits Made Easy," manual. And since I am ordering within four weeks of receiving this letter, please send the following free gifts.

FREE GIFT #1: FREE Consulting Coupons \$300 VALUE

FREE GIFT #2: FREE 1/2 Year Subscription

"The Letter, ON-LINE Profits Made Easy" \$48 VALUE

FREE GIFT #3 : FREE Internet Course \$200 VALUE

TOTAL VALUE OF FREE GIFTS \$548!!

\$97 (plus \$5.95 shipping and handling)

OR try our installment plan, 2 easy payments of \$48.50 (plus \$5.95 shipping and handling). Installment plan available on credit card orders only.

2. _____ Yes, Rob I want to make serious money in an easy, pleasant home based business AND I CAN CERTAINLY SEE THE VALUE IN HAVING THE 40 REPORTS TO SELL IMMEDIATELY. I also want the ability to accept credit card payments with a 1-800 number through my dealership. I realize this will increase my profits quickly. So, please send me the "Deluxe System" which includes everything in the "Basic System" plus: 40 reports to sell immediately. And since I am ordering within four weeks of receiving this letter, please send me the 3 free gifts above (that's \$548 worth of FREE gifts) plus:

FREE GIFT #4: FREE DEALERSHIP OPPORTUNITY

- INCLUDES 800 NUMBER ORDER TAKING SERVICE \$200 VALUE

- INCLUDES ABILITY TO ACCEPT CREDIT CARDS \$700 VALUE

- INCLUDES FULFILLMENT OF ORDERS \$200 VALUE

FREE GIFT #5: E-MARKETING \$15 VALUE

TOTAL VALUE OF FREE GIFTS: \$1,663!!

\$147 (plus \$6.75 shipping and handling)

OR try our installment plan, 2 easy payments of \$73.50 (plus \$6.75 shipping and handling). Installment plan available on credit card orders only.

And remember my standing offer. If you have any questions or concerns, call me at 1-800-348-3454.

c 1995 Excel Communications

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, his counsel, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Robert Serviss is an individual doing business as Excel Communications with his principal office or place of business at 2169 Summer Street, Suite 115, Stamford, Connecticut.
2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondent Robert Serviss, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "ON-LINE Profits Made Easy" business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity.

II.

It is further ordered, That respondent Robert Serviss, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "ON-LINE Profits Made Easy" business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any paragraph in this order that terminates in less than twenty years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Complaint

121 F.T.C.

IN THE MATTER OF

RANDOLF D. ALBERTSON

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3670. Complaint, June 12, 1996--Decision, June 12, 1996*

This consent order prohibits, among other things, a Michigan-based individual doing business as Wolverine Capital from misrepresenting, in advertisements for cash grant assistance programs, the number of people who are approved for grants and the services or assistance provided in obtaining grants, loans, or any other financial product or service. The consent order requires the respondent to possess competent and reliable evidence to substantiate such claims.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Randolph D. Albertson, individually and doing business as Wolverine Capital ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Randolph D. Albertson is an individual doing business as Wolverine Capital. His principal office or place of business is located at 1039 Gun River Drive, Plainwell, Michigan.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of a cash grant assistance program to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for his cash grant assistance program. These advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

FREE CASH GRANTS BY MAIL...

Wolverine Capital is a financial finder and matching service. We have 17 years of experience, with over 250 private foundations in our program. Most of our clients are approved for cash grants.

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that he is able to obtain cash grants for most of his clients.

PAR. 6. In truth and in fact, respondent is not able to obtain cash grants for most of his clients. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph five, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 8. In truth and in fact, at the time he made the representation set forth in paragraph five, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph seven was, and is, false and misleading.

PAR. 9. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

EXHIBIT 1

FREE CASH GRANTS BY MAIL ARE AVAILABLE, if you know the secret of how and where to apply! Private Foundations (these are NOT government grants) give away billions of dollars to individuals every year. Most foundations are non-profit, dedicated to the betterment of society. These organizations MUST GIVE AWAY MONEY to fulfill their legal tax-free status. YOU can get a cash grant by mail. These funds may be used for any purpose (start a business, travel abroad, further your education, get out of debt, etc.) and never have to be paid back!!! To be eligible, all you have to do is apply!! And we can show you HOW and WHERE To get more information, send email to: FreeMoney@mailback.com

FREE CASH GRANTS BY MAIL ARE AVAILABLE, if you know the secret of how and where to apply! Private Foundations (these are NOT government grants) give away billions of dollars to individuals every year. Most foundations are non-profit, dedicated to the betterment of society. These organizations MUST GIVE AWAY MONEY to fulfill their legal tax-free status. YOU can get a cash grant by mail. These funds may be used for any purpose (start a business, travel abroad, further your education, get out of debt, etc.) and never have to be paid back!!! To be eligible, all you have to do is apply!! And we can show you HOW and WHERE.

Wolverine Capital is a financial finder and matching service. We have 17 years financing experience, with over 250 private foundations in our program. Most of our clients are approved for a cash grant. A higher percentage than would be approved by a bank for a loan. Obtaining a cash grant by mail is easier than you think. There are literally hundreds of foundations eager to donate money to you. We will show you exactly how to apply for a cash grant by mail; how to write a letter of appeal, what to include in your proposal, etc. Plus, we send you the names, addresses and, where possible, the telephone numbers of the foundations most likely to fund your needs. With daily updates, only the most active sources are suggested. You are protected by the fact these foundations are regulated by the laws of the United States.

We send you everything you need to get a cash grant by mail. There is a small one-time application fee of \$19.95. There are no other fees to pay, now or later. We GUARANTEE you will get a cash grant by mail or we will refund your entire application fee, immediately. Complete the application below and return it to our office today. Upon receipt, we will review your application and match you the BEST foundations. If you are not 100% satisfied, keep everything we send you. Just mail us a letter explaining you wish a refund and we'll process your request that day. It's that simple- NO GRANT NO FEE -no questions. We are that confident in these foundations.

If you have any questions, please email:

Wcapitol@aol.com

All applications ordered within ten days will receive six extra financial reports absolutely FREE!!! You can only WIN!!! But only if you ACT NOW!!! Don't let FREE MONEY pass you by!!

APPLY TODAY. Send \$19.95, check or money order, along with your completed application to:

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Complaint

WOLVERINE CAPITAL
1039 GUN RIVER DR
PLAINWELL MI 49080

All applications processed within 24 hours.
All applications GUARANTEED

CASH GRANTS BY MAIL APPLICATION

NAME _____
ADDRESS _____
CITY ST ZIP _____
PHONE (____) _____
EMAIL ADDRESS _____
GRANT TYPE (Business or Personal) _____
GRANT AMOUNT (\$500-\$50,000) _____
Thank you.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Randolph D. Albertson is an individual doing business as Wolverine Capital with his principal office or place of business at 1039 Gun River Drive, Plainwell, Michigan.
2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondent Randolph D. Albertson, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the cash grant assistance program, or any substantially similar program, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner:

- A. The number of persons who are approved for grants; and
- B. The services or assistance provided in obtaining grants, loans, or any other financial product or service.

II.

It is further ordered, That respondent Randolph D. Albertson, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the cash grant assist program, or any substantially similar program, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the number of persons who are approved for grants, or the services or assistance provided in obtaining grants, loans, or any other financial product or service, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting

forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

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IN THE MATTER OF

RICK A. RAHIM

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3671. Complaint, June 12, 1996--Decision, June 12, 1996

This consent order prohibits, among other things, a Virginia-based individual doing business as NBDC Credit Resource Publishing from misrepresenting, in advertisements -- via a computer communications network, or by any other means -- for a credit repair product, the legality of any credit repair product, and requires the respondent to disclose that the program may violate federal criminal laws.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondents: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Rick A. Rahim, individually and doing business as NBDC Credit Resource Publishing ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Rick A. Rahim is an individual doing business as NBDC Credit Resource Publishing. His principal office or place of business is located at 7010 Brookfield Plaza, Suite 322, Springfield, Virginia.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of a credit repair product to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for his credit repair product. These advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

You are about to learn the truth about credit repair and "New Credit Files." New Credit Files DO WORK!

We don't just sell you bogus information. We have created new credit files 100% legally for ourselves to make sure it works. Yes, we have successfully tested the system with all major credit bureaus and the IRS.

Yes, it is true that you can obtain a new taxpayer identification number from the IRS. You can then use that number in place of your social security number to establish a brand-new credit file from each of the major credit bureaus.

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including, but not necessarily limited to, the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that respondent's product whereby consumers create new credit files is legal.

PAR. 6. In truth and in fact, respondent's product whereby consumers create new credit files is not legal. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. In the advertising, promotion, offering for sale, sale, and distribution of his credit repair product, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented that his product whereby consumers create new credit files is legal. Respondent has failed to disclose that consumers who follow respondent's product to create new credit files will violate federal criminal laws, including the federal law against making false statements on certain loan and credit applications, the federal law against falsely representing one's social security number, and the federal law against making false statements to a department or agency of the United States. This fact would be material to consumers in their decision to purchase respondent's product. The failure to disclose this fact, in light of the representation made, was, and is, a deceptive practice.

PAR. 8. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or

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affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

EXHIBIT 1

Subj: * NEW CREDIT FILE TRUTH *
Date:
From:

You are about to learn the truth about credit repair and "New Credit Files."
For a FREE REPORT (no obligation), please respond by E-Mail.
No scams here. No quick ways to cheat the system.
New Credit Files DO WORK!

We don't just sell you bogus information. We have created new credit files 100% legally for ourselves to make sure it works. Yes, we have successfully tested the system with all major credit bureaus and the IRS. You cannot afford to miss our FREE REPORT!

Subj: Re: New credit Files
Date:
From:
To:

ATTENTION!

You can listen to a FREE 3 minute recording about our program.
Call 1-800-500-7766
When prompted, enter code 8839 and the # sign.

YOU HAVE ALREADY TAKEN THE FIRST STEP TO ESTABLISHING YOUR NEW CREDIT FILE!

Thank you for your inquiry. As you know, just about everyone is trying to sell you their "system." But how many of them have actually followed their own plans and created a new credit file?

Yes, it is true that you can obtain a new taxpayer identification number from the IRS. You can then use that number in place of your social security number to establish a brand-new credit file from each of the major credit bureaus.

Use your new credit file prudently and you will be able to obtain any type of unsecured credit you desire within a very short time! But be careful. Because the IRS only allows you one new taxpayer identification number in your lifetime. You need to know which IRS form to use. And you need to know which IRS office to send the form to for the proper type of number.

If you don't understand the pitfalls of using the new number, you risk having your old credit file merged with your new one. Establishing your new credit file is a very simple process which anyone can complete. But you must take each step precisely so that you don't ruin your only chance.

Our guide gives you step-by-step instructions on how to have a brand new credit file in your name within 30 days. It cannot be done any faster than that; so don't be taken in by anyone else's claims.

You have to do this legally and you must pay particular attention to each of the three easy steps.

We have bought and analyzed all of the other guides, reports, and manuals.

We wanted to make sure that we give you the clearest, most concise instructions possible.

While you can buy similar information from other people selling their "systems"; **BE CAREFUL!**

Only our comprehensive report gives you the following:

- * The actual IRS form ready for you to complete and mail.
- * Addresses of which regional IRS centers to send this form to.
- * How to create a new credit file once you have your new taxpayer identification number.
- * How to establish perfect credit once you have a new credit file.
- * What companies will actually give you unsecured credit on your new credit file.
- * A mail-order company which will ship merchandise to you immediately on credit with no money down. AND, they will then help you establish positive credit by reporting your unsecured account to the major bureaus. (They will even give you credit on your "tarnished" social security number if you want!)
- * A bonus report on credit repair scams and why credit repair just doesn't work.
- * A **MONEY BACK GUARANTY** if you are unable to establish a brand new credit file with **POSITIVE** credit.

You might get lucky with other systems. If you use another program to establish your new credit file; just remember that you only get one chance.

Don't risk making a mistake in dealing with the IRS or the credit bureaus.

We show you how to avoid mistakes!

The only cost for everything you need is \$19.00

You will be able to begin establishing your new credit file the same day you receive our reports!

Cash and money orders are shipped within 48 hours. Personal checks delay your order slightly. **SEND \$19.00 TO THE FOLLOWING ADDRESS:**

NBDC CREDIT RESOURCE PUBLISHING
c/o AOL Offer
7010 Brookfield Plaza, Suite 322
Springfield, VA 22150

Our money-back guarantee means there is absolutely no risk to you

Just **GOOD CREDIT IN YOUR FUTURE!**

Good Luck. Remember, you only get once [sic] chance. **BE CAREFUL !!!**

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Rick A. Rahim is an individual doing business as NBDC Credit Resource Publishing with his principal office or place of business at 7010 Brookfield Plaza, Suite 322, Springfield, Virginia.

2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

1. "*Credit report*" means any written, oral, or other communication of information by a consumer reporting agency bearing on a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

2. "*Credit repair product*" means any product or service to improve a person's credit report by removing adverse information appearing therein, changing the rating of such information from negative to positive, or otherwise enhancing the person's credit report.

I.

It is ordered, That respondent Rick A. Rahim, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, either directly or indirectly, in writing, via a computer communications network, or by any other means, the legality of any such credit repair product.

II.

It is further ordered, That respondent Rick A. Rahim, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product involving the creation of a new credit file or tax identification number, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from failing to disclose in any advertisement or promotional

material, including any advertisement or promotion via a computer communications network, that:

A. Making misrepresentations to the Internal Revenue Service may be a federal crime;

B. Misrepresenting one's social security number for any purpose may be a federal crime;

C. Making misrepresentations for a loan application may be a federal crime; and

D. Making misrepresentations to a financial institution may be a federal crime.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or

other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any paragraph in this order that terminates in less than twenty years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order,

and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

IN THE MATTER OF

LYLE R. LARSON

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3672. Complaint, June 12, 1996--Decision, June 12, 1996*

This consent order prohibits, among other things, a Washington-based individual doing business as Momentum from misrepresenting, in advertisements -- via a computer communications network, or by any other means -- for a credit repair product, any right or remedy available under the Fair Credit Reporting Act, including the ability to remove adverse information in any credit report, and the legality of any credit repair product. In addition, the consent order requires the respondent to disclose that the program may violate federal criminal laws.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Lyle R. Larson, individually and doing business as Momentum ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Lyle R. Larson is an individual doing business as Momentum. His principal office or place of business is located at 3033 127th Place SE, Suite I-21, Bellevue, Washington.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the CreditPlus credit repair product to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the CreditPlus credit repair product. These advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

Don't Wait 7-10 Years!
Legally Remove "Bad Marks" From Your Credit Report

* * *

Even if your credit report doesn't contain an error, you can remove damaging entries. Let CreditPlus show you how!

* * *

Bankruptcies Removed!

...Even if you've declared bankruptcy, this package will show you how to get it removed! Also removable are Judgements, Foreclosures, Tax Liens, Repossessions, Late Payments, etc!

* * *

Create a "NEW" Credit File!

If you can't clean up your credit, CreditPlus will show you the secrets of obtaining a NEW credit file.... This is a little-known 100-percent effective method of erasing bad credit that is completely LEGAL under federal law.

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including, but not necessarily limited to, the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that:

A. Consumers can remove bankruptcies, judgments, foreclosures, liens, repossessions, late payments, and other adverse items of information from their credit reports even where such information is accurate and not obsolete; and

B. Respondent's product whereby consumers create new credit files is legal.

PAR. 6. In truth and in fact:

A. Most consumers cannot remove bankruptcies, judgments, foreclosures, liens, repossessions, late payments, and other adverse items of information from their credit reports where such information is accurate and not obsolete; and

B. Respondent's product whereby consumers create new credit files is not legal.

Therefore, the representations set forth in paragraph five were, and are, false and misleading.

PAR. 7. In the advertising, promotion, offering for sale, sale, and distribution of the CreditPlus credit repair product, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented that his product whereby consumers create new credit files is legal. Respondent has failed to disclose that consumers who follow respondent's product to create new credit files will violate federal criminal laws, including the federal law against making false statements on certain loan and credit applications, the federal law against falsely representing one's social security number, and the federal law against making false statements to a department or agency of the United States. This fact would be material to consumers in their decision to purchase the CreditPlus credit repair product. The failure to disclose this fact, in light of the representation made, was, and is, a deceptive practice.

PAR. 8. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

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EXHIBIT 1

Credit Plus

Don't wait 7-10 years!

Legally Remove "Bad Marks" From Your Credit Report

TRW, CBI, Equifax and Trans Union maintain records on 160 million Americans. These credit bureaus are not governmental agencies, they are private companies that collect personal information on you and sell it for a profit! A national study revealed that nearly half of these reports contain errors! Even if your credit report doesn't contain an error, you can remove damaging entries. Let CreditPlus show you how!

The CreditPlus Package provides sample reports from these credit bureaus, with an explanation in plain English what their complicated codes really mean. You will learn how creditors "need" these reports, what is considered "negative" and how to remove it. You can even add positive entries using law provided in the Fair Credit Reporting Act.

Bankruptcies Removed!

The CreditPlus Package contains information on how to wipe out debts completely without having going bankrupt. Even if you've declared bankruptcy, this package will show you how to get it removed! Also removable are Judgments, Foreclosures, Tax Liens, Repossessions, Late Payments, etc! This is the same technique that Americans best credit lawyers use (and charge up to \$3,000 or more).

Create a "NEW" Credit File!

If you can't clean up your credit, CreditPlus will show you the secrets of obtaining a NEW credit file, enabling you to start from SCRATCH! It is then possible to add up to ten years of excellent credit to this new file. This is a little-known 100-percent effective method of erasing bad credit that is completely LEGAL under federal law.

This program is a detailed guide full of selected information on the latest and most effective credit repair techniques, legal angles, and no-nonsense how-to's. With all these features packaged in a menu driven program, with on-line help, and a self-running tutorial, CreditPlus is expertly designed custom software to create a level of functionality not found in books or guides you can interactively conduct your credit repair campaign with ease and accuracy by following the preprogrammed steps contained in the software. The system keeps track of everything you do, so you do not leave things out or miss responses or follow-ups. When you need information it is always there, available to you by pressing a key or selecting a from a menu. CreditPlus is the solution you've been looking for. The package also includes a hardcopy of instructions and all forms in case you do not have access to a computer.

No More Rejection

So stop being turned-down when you apply for credit, the answer will finally be "Yes, your application has been approved." Need a credit card? Learn how to get any credit card you want. Want a large loan? Don't wait 7-10 years to get that home, auto or boat - Order CreditPlus and start reestablishing your AAA-1 Credit Rating Today!

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Guaranteed.

We're so sure that CreditPlus will help you, we're offering this amazing guarantee: Use CreditPlus for up to A FULL YEAR, following the step-by step instructions. If you do not succeed at removing negative items, or can't obtain a new file, we will refund the ENTIRE purchase price, no questions asked.

Dial 206.865.9000

Call Mon - Fri 9am - 5pm (Pacific Time)

And charge on your credit card.

OR

Send check or money order to:

Momentum

15600 NE 8th

Suite B1 - Dept. 131

Bellevue, WA 98008

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Lyle R. Larson is an individual doing business as Momentum with his principal office or place of business at 3033 127th Place SE, Suite I-21, Bellevue, Washington.

2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

1. "*Credit report*" means any written, oral, or other communication of information by a consumer reporting agency bearing on a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

2. "*Credit repair product*" means any product or service to improve a person's credit report by removing adverse information appearing therein, changing the rating of such information from negative to positive, or otherwise enhancing the person's credit report.

I.

It is ordered, That respondent Lyle R. Larson, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, either directly or indirectly, in writing, via a computer communications network, or by any other means:

A. Any right or remedy available under the Fair Credit Reporting Act, 15 U.S.C. 1681 *et seq.*, including, but not limited to, the ability to remove adverse information in any credit report; and

B. The legality of any credit repair product.

II.

It is further ordered, That respondent Lyle R. Larson, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product involving the creation of a new credit file or tax

identification number, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from failing to disclose in any advertisement or promotional material, including any advertisement or promotion via a computer communications network, that:

- A. Making misrepresentations to the Internal Revenue Service may be a federal crime;
- B. Misrepresenting one's social security number for any purpose may be a federal crime;
- C. Making misrepresentations for a loan application may be a federal crime; and
- D. Making misrepresentations to a financial institution may be a federal crime.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All materials that were relied upon in disseminating such representation; and
- B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

- A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That for a period of five (5) years from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment involving the advertising, offering for sale, sale, or distribution of any credit repair product. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.