



## **JURISDICTION AND VENUE**

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

3. Venue in the United States District Court for the Northern District of Illinois is proper under 15 U.S.C. § 53(b), and 28 U.S.C. §§ 1391(b) and (c).

## **PARTIES**

4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC is charged, *inter alia*, with enforcement of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including restitution for injured consumers. 15 U.S.C. § 53(b).

5. Defendant Financial Resources Unlimited, Inc., (“FRU”) is an Illinois corporation with its registered office at 6534 South Bentley, Willowbrook, Illinois 60527, with mailing addresses at 15 W 700 N Frontage Road, Burr Ridge, Illinois 60527, 1244 State Street, PMB 350, Lemont, Illinois 60439, 120 Broadview Village Square, PMB 445, Broadview, Illinois 60155, and 3013 Wolf Road, PMB 200, Westchester, Illinois 60154.

6. Defendant Supreme Mailing Services, Inc., (“Supreme Mailing”) is an Illinois corporation with its registered office at 7000 Adams Street, Suite 111, Willowbrook, Illinois 60527, and mailing addresses at 1244 State Street, PMB 350, Lemont, Illinois 60439.

7. Defendant Mark E. Shelton is an officer and director of FRU and Supreme Mailing. At all times material to this Complaint, acting alone or in concert with others, Shelton

has formulated, directed, controlled or participated in the acts and practices set forth in this Complaint.

8. The foregoing defendants operate together as part of a common business enterprise and transact business in the Northern District of Illinois.

**COMMERCE**

ty. All supplies provided.  
Paychecks guaranteed.  
Call 1-708-431-6800  
(24 hours)

12. Consumers who call the telephone numbers listed in the classified ads are connected to a recorded message that instructs the consumer to leave a name and address.

13. Defendants typically mail a form letter to consumers who leave their names and addresses in response to the recorded message. Typical claims made in these form letters include:

**EARN \$550.00 to \$3,000.00, AND MORE WEEKLY!!**

Ten dollars for each circular you mail...

*Free Postage...Free Circulars...No Newspaper Ads...No Magazine Ads...No Bulletin Board Ads! Paychecks mailed to you every Wednesday! Advance paycheck forms included in your package!!*

\* \* \*

Our printing and publishing company is hiring home workers for our busy season...We [Financial Resources] have so much work on hand that we are paying home workers \$10.00 for each letter stuffed and returned to us.

\* \* \*

If we [Financial Resources] receive 55 letters stuffed and mailed out by you, we'll pay you \$550.00. If we receive 75 letters, we'll pay you \$750.00. If we receive 95 letters, we'll pay you \$950.00. If we receive 300 letters, we'll pay you \$3,000.00 and so on. The more letters you stuff and mail, the more money you'll make.

\* \* \*

**We** [Financial Resources] send you the envelopes and letters to be stuffed...And **We** pay you for the work you do as per our instructions. Your only job is to stuff our special advertising circulars that we will send you into envelopes, that we also provide to you, and then mail them out to **receive \$10.00 each payment from US!**

*(Emphasis in original).*

14. Defendants' initial form letter explains how consumers can choose the amount of money that they wish to earn depending upon the number of envelopes that they are able to stuff and mail:

For your convenience, we have established 5 different groups. You can choose the group that you want to work under. Each group carries a different earnings potential. And a different number of starting supplies.

The earning potential of **Group #1** is \$550.00 weekly. **Group #2** is \$750.00. **Group #3** is \$950.00. **Group #4**, *our most popular group*, has an earning potential of \$3,000.00 weekly. **Group #5** is for established mailers, who start in Group #4 and get promoted after receiving their first \$3,000.00 in pay. *Once you're in Group #5, you can then **earn \$5,000.00 weekly or more.*** But you must start in Group #4 if you want to be promoted to Group #5. However, we leave it up to you to choose your own starting group.

For example, if you start in Group #3, we'll send you a large priority package containing 95 envelopes, 95 letters, 95 customer mailing labels and our easy to follow instructions. If you choose Group #4, we send you 300 envelopes, 300 letters and 300 customer mailing labels. When you are promoted to Group #5, we'll send you a large package with 500 of each item to be stuffed and mailed for payment.

*(Emphasis in original).*

15. Defendants' initial form letter explains that consumers are required to pay a one-time fully refundable fee to participate:

In order to get you started **IMMEDIATELY**, we must require a one-time computer processing and materials fee. The fee is for the accountant to set up a payroll plan, so that you can receive your earnings. Plus, it protects us from curiosity seekers who may not properly mail the costly printed materials we send out. This fee is **FULLY REFUNDED** after you are in the system and have earned 5 (five) paychecks under your chosen income group.

*(Emphasis in original).*

16. Defendants' initial form letter also promises consumers who mail defendants' "special advertising circulars" that they will not incur postage charges:



advertising letters, envelopes, and mailing labels corresponding to the program selected by the consumer.

19. Defendants include instructions in the package containing advertising letters, envelopes, and mailing labels. The instructions direct consumers to write the last five, or sometimes four, digits of their social security numbers (the consumer's personal "CODE #") on the space reserved for that information on the envelopes. The instructions explain that the CODE # "is how our accounting department tracks your progress and pays you your checks!"

20. Defendants' instructions list examples of projected earnings. Typical of these projections is the following:

Normally sales start to arrive in two to three weeks from the mailing date. On average, these letters sell at a rate of 30%, which means:

**Example of Program #1 ~Week #1**

55 letters X 30% sales rate = 17 sales

17 sales X \$10.00 commission per sale = \$170.00 *paid to you!*

You'll also receive postage reimbursement on 17 sales at 37 cents each (current rate) or \$6.29.

In your second week, the materials you receive from us automatically double! So for the same \$55.00, plus shipping and handling, we send you 110 letters, 110 envelopes and 110 customer mailing labels.

The instructions explain that defendants will continue to double the number of supplies each week for the same fee until the fourth week when the fee is reduced by 25% and the number of materials delivered each week is capped at four times the first delivery.

21. The advertising circulars that defendants deliver to consumers for mailing include promotions for work at home opportunities stuffing envelopes with advertising circulars and

working as credit card consultants. Examples of the statements in these advertising letters include:

**\$150,000 PER YEAR OR MORE!!  
AS A MAILING LIST BROKER!!**

**You Can Earn \$50,000 to \$75,000 Per Year  
PART-TIME From Your Own Kitchen Table!**

\* \* \*

**Become a Credit Card Consultant**

**\$50,000 MONTHLY OR MORE! AND...  
You Can Start With Less Than \$100  
Placing Classified Ads!  
I Did, And I'll Teach You How**

22. The advertising letters that defendants provide to consumers to mail include statements such as, "My name is Mark Shelton, and I have been generating hundreds of thousands of leads over the past 15 years."

**VIOLATIONS OF SECTION 5 OF THE FTC ACT**

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

24. As set forth below, defendants, individually or in concert with others, have violated Section 5(a) of the FTC Act in connection with the advertising, offering for sale, or selling of services.

**COUNT I**



25. In numerous instances, in the course of offering for sale and selling a purported work-at-home opportunity, Defendants represent, expressly or by implication, that consumers who purchase Defendants' purported work-at-home opportunity are likely to earn a substantial amount of money, such as \$500.00 to \$5,000.00 per week, from Defendant's work-at-home opportunity.

26. In truth and in fact, consumers who purchase Defendants' purported work-at-home opportunity are not likely to earn a substantial amount of money, such as \$500.00 to \$5,000.00 per week, from Defendant's work-at-home opportunity.

27. Therefore, defendants' representations, as set forth in Paragraph 25, are false and deceptive in violation of Section 5 of the FTC Act, 15 U.S.C. § 45.

### **COUNT II**

28. In numerous instances, in the course of offering for sale and selling a purported work-at-home opportunity, defendants represent expressly or by implication, that defendants will pay \$10.00 per envelope for all or many of the envelopes stuffed and mailed by the consumers.

29. In truth and in fact, defendants do not pay consumers \$10.00 per envelope for all or many of the envelopes stuffed and mailed by the consumers.

30. Therefore, defendants' representations, as set forth in Paragraph 28, are false and deceptive, in violation of Section 5 of the FTC Act, 15 U.S.C. § 45.

### **COUNT III**

31. In numerous instances, in the course of offering for sale and selling a purported work-at-home opportunity, defendants represent, expressly or by implication, that defendants will pay the cost of postage needed to mail defendants' "special advertising circulars."

32. In truth and in fact, defendants do not pay the cost of postage needed to mail defendants' "special advertising circulars."

33. Therefore, defendants' representations, as set forth in Paragraph 31, are false and deceptive in violation of Section 5 of the FTC Act, 15 U.S.C. § 45.

#### **COUNT IV**

34. By furnishing consumers with advertising circulars and letters that contain false and misleading representations, defendants have provided others with the means and instrumentalities for the commission of deceptive acts and practices.

35. Therefore, defendants' practices, as set forth in paragraph 34, constitute deceptive acts and practices in violation of in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

#### **CONSUMER INJURY**

36. Defendants' violations of Section 5(a) of the FTC Act have injured, and will continue to injure consumers throughout the United States. As a result of defendants' unfair or deceptive acts or practices, consumers have suffered substantial monetary loss. In addition, defendants have been unjustly enriched as a result of their unlawful practices. Absent injunctive relief by this Court, defendants are likely to continue to injure consumers and harm the public interest.

37. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and other relief to prevent and remedy defendants' violations of the FTC Act, and in the exercise of its equitable jurisdiction, to award redress to remedy the injury to consumers, to order the disgorgement of monies resulting from defendants' unlawful acts or practices, and to order other ancillary equitable relief.

**PRAYER FOR RELIEF**

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

