

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
ORLANDO DIVISION

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FEDERAL TRADE COMMISSION,	)
	)
Plaintiff,	)
	)
v.	)
	)
NATIONAL SOLUTIONS LLC, a Florida	)
limited liability company, also d/b/a Blue Scape	)
Timeshares International, Country Wide	)
Timeshares, Countrywide Timesharesales MA,	)
Landmark Timeshares, Property Direct, Quicksale	)
Property, Sun Property Networks, Sun Property	)
Universal Property, and VIM Timeshares;	)
	)
LANDMARK MARKETING LLC, a Florida	)
limited liability company, also d/b/a Blue Scape	)
Timeshares, Country Wide Timeshares	)
International, Property DRK, Quick Sale	)
Advisers, Quick Sale International, and Universal	)
Property International;	)
	)
RED SOLUTIONS LLC, a Florida limited	)
liability company, also d/b/a City Resorts, and	)
Resort Advisers;	)
	)
ENTERPRISE AMERICA, LLC, a Florida limited	)
liability company, also d/b/a American	)
Timeshares, Exit Week, and Resort Advisers	)
International;	)
	)
INVESTMENTS GROUP OF FLORIDA, LLC, a	)
Florida limited liability company, also d/b/a	)
Resort Advisers AM;	)
	)
MULTIGLOBE LLC, a Florida limited liability	)
company, also d/b/a Universal Property;	)
	)
LEANDRO VELAZQUEZ;	)
	)

Civ No. 11-cv-1131-ORL-22-GJK

Judge Anne C. Conway

Magistrate Judge Gregory J. Kelly

FIRST AMENDED COMPLAINT  
FOR PERMANENT INJUNCTION  
AND OTHER EQUITABLE  
RELIEF

SAMUEL VELAZQUEZ;	)
	)
JOEL VELAZQUEZ;	)
	)
KIOMARY CRUZ; and	)
	)
EDGAR GONZALEZ,	)
	)
Defendants.	)

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Plaintiff, the Federal Trade Commission (“FTC”), for its Complaint alleges:

1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, to obtain temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or ~~practices~~ in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC’s Trade Regulation Rule entitled “Telemarketing Sales Rule” (“TSR”), 16 C.F.R. Part 310.

JURISDICTION AND VENUE

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

3. Venue is proper in this district under 28 U.S.C. § 1391(b) and (c), and 15 U.S.C. § 53(b).

PLAINTIFF

4. The FTC is an independent agency of the United States Government created

by statute. 15 U.S.C. §§ 41-58. The FTC enforces 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 also enforces the Telemarketing Act, 15 U.S.C. §§ 6101-6108. Pursuant to the

DRK, Quick Sale Advisers, Quick Sale International, and Universal Propertys International, is a Florida limited liability company with its registered address at 2223 SW 13th Avenue, Miami, Florida, a mail drop, and its principal place of business at 1650 Sand Lake Road, Suite 200, Orlando, Florida. Landmark Marketing transacts or has transacted business in this district and throughout the United States.

8. Defendant Red Solutions LLC (“Red Solutions”), also doing business as City Resorts and Resort Advisors, is a Florida limited liability company with its principal place of business at 1650 Sand Lake Road, Suite 200, Orlando, Florida. Red Solutions transacts or has transacted business in this district and throughout the United States.

9. Defendant Enterprise America, LLC (“Enterprise America”), also doing business as American Timeshares, Exit Week, and Resort Advisors International, is a Florida limited liability company with its registered address at 11310 S. Orange Blossom Trail, Suite 156, Orlando, Florida, a mail drop, and its principal place of business at 1650 Sand Lake Road, Suite 200, Orlando, Florida. Enterprise America transacts or has transacted business in this district and throughout the United States.

10. Defendant Investments Group of Florida, LLC (“Investments Group”), also doing business as Resort Advisors AM, is a Florida limited liability company with its principal place of business at 1650 Sand Lake Road, Suite 200, Orlando, Florida. Investments Group transacts or has transacted business in this district and throughout the United States.

11. Defendant MultiGlobe LLC (“MultiGlobe”), also doing business as Universal

Propertys, is a Florida limited liability company with its registered address at 1750 Sand Lake Road, Orlando, Florida, and its principal place of business at 1650 Sand Lake Road, Suite 200, Orlando, Florida. MultiGlobe transacts or has transacted business in this district and throughout the United States.

12. Defendant Leandro Velazquez (“L. Velazquez”) is or was an owner, officer, director, member, manager, and/or manager/member of Defendants National Solutions, Landmark Marketing, Red Solutions, Enterprise America, and Investments Group. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant L. Velazquez resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

13. Defendant Samuel Velazquez (“S. Velazquez”) is or was an owner, officer, director, member, manager, and/or manager/member of Defendants National Solutions and Landmark Marketing. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant S. Velazquez resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

14. Defendant Joel Velazquez (“J. Velazquez”) is or was an owner, officer, director, member, manager, and/or manager/member of Defendant National Solutions. At

all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant J. Velazquez resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

15. Defendant Kiomary Cruz (“Cruz”) is was an owner, officer, director, member, manager, and/or managing member of Defendants National Solutions and Red Solutions. Corporate papers filed with that State of Florida identify Cruz as Manager and Registered Agent of Defendants National Solutions and Red Solutions. At all times material to this Complaint, acting alone or in concert with others, Cruz has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Among other things, she has worked on a regular basis at Defendants’ principal place of business, where Defendants in their telemarketing calls made the misrepresentations to consumers that are challenged in this Complaint. She also has opened and controlled mail drop boxes that were used by Defendants to receive consumer payments and other correspondence, such as complaints. She has received and responded to consumer complaints that were received by Defendants both over the telephone and in writing, including numerous complaints where consumers reported being told that Defendants had a buyer for their timeshare. Defendant Cruz also has held herself out as Defendants’ “Manager” when meeting with Florida law enforcement officials and has identified herself as Defendants’ “Sales Manager” in letters responding to consumer complaints. She signed

Defendants' application for a Florida telemarketing license as Defendants' "Registered Agent" and "Manager," and she attached a list of "Salespersons" to that application that included her own name. Defendant Cruz ~~has~~ been responsible for sending Defendants' contracts to consumers, responding to consumers' credit card chargebacks, and presiding over staff meetings of telemarketers and ~~other~~ employees. Defendant Cruz, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

16. Defendant Edgar Gonzalez ("Gonzalez") ~~is~~ was an owner, officer, director, member, manager, and/or managing member of Defendants National Solutions and Landmark Marketing. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Gonzalez resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

17. Defendants National Solutions, Landmark Marketing, Red Solutions, Enterprise America, Investments Group, and MultiGlobe (collectively, "Corporate Defendants") have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law ~~alleged~~ below. Defendants have conducted the business practices described below through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, and office locations, and that have commingled funds and engaged in a common scheme. Because these Corporate

Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below. Defendants L. Velazquez, S. Velazquez, J. Velazquez, Cruz, and Gonzalez (collectively “Individual Defendants”) have formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

#### COMMERCE

18. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

#### DEFENDANTS’ BUSINESS ACTIVITIES

19. Since at least 2007, and continuing thereafter, Defendants have engaged in a plan, program, or campaign to deceptively advertise, market, promote, offer for sale, or sell timeshare resale services through, among other means, interstate telephone calls to consumers throughout the United States.

20. Defendants, directly or through their agents, contact consumers through unsolicited telemarketing calls. Defendants typically target consumers who own timeshare properties that have been listed for sale with timeshare resale companies. In contacting these consumers, Defendants often already have information about the consumers’ timeshare properties, such as the properties’ names and locations.

21. Frequently, Defendants begin the telemarketing call by representing that they have a buyer for the consumer’s timeshare property. In many instances, Defendants tell the



consumer that the purported buyer is willing to pay the consumer's asking price for the timeshare property or, if not the asking price, a price that is likely to be agreeable to the consumer.

22. After representing that they have a buyer for the consumer's timeshare property, Defendants often confirm that the consumer is interested in proceeding with the sale. Defendants then tell consumers that they must pay a fee for the sale to proceed. In many instances, Defendants represent that this fee is required as an "earnest money deposit" to ensure that the consumer commits to sell the timeshare property. In other instances, Defendants represent that this fee is required to pay for various sale-related expenses, such as closing costs, document processing fees, or title search fees. Regardless of the reason given, however, Defendants represent that the fee will be refunded when the sale of the consumer's timeshare property closes.

23. Defendants also frequently tell consumers that the closing of their timeshare property will occur on a specific date, which often is only a few weeks away. To add a sense of urgency, Defendants sometimes represent that the closing is set to occur within a few days so that consumers act quickly in order to proceed with the sale. In some instances, however, Defendants indicate that consumers will receive a subsequent telephone call with specific information about the closing date.

24. The fee that Defendants charge consumers for their services typically ranges between \$1000 and \$3150. Defendants ordinarily require that consumers use a money order or cashier's check to pay the fee, and that the payment be mailed to Defendants by overnight

delivery. Defendants also at times have accepted payment by check draft and credit card.

25. To further induce consumers to pay their fee, Defendants often represent that the sales transaction must comply with Federal Trade Commission regulations and that the proposed sale of the consumer's timeshare property will be reviewed and approved by the Federal Trade Commission.

26. Believing that Defendants have a buyer for their timeshare property and that Defendants' fee will be refunded at closing, many consumers agree to proceed with the sale and to pay Defendants' fee. At that point, Defendants sometimes orally instruct consumers to pay Defendants' fee by obtaining a money order or cashier's check and mailing the payment to Defendants by overnight delivery. Defendants also tell consumers that they will receive a contract from Defendants ~~that~~ they should immediately sign and return. Defendants often refer to this contract as the "sales agreement" or "seller's document."

27. Following the initial conversation, consumers may be transferred to, or subsequently receive a telephone call from, another of Defendants' telemarketers for purposes of verifying the consumer's agreement to pay Defendants' fee. Defendants may record portions of these verification calls. In at least one instance, the telemarketer conducting the verification call represented to the consumer that she actually worked for the Federal Trade Commission.

28. Defendants then often send by mail, email, or facsimile transmission a list of "steps" consumers need to complete before the sale of their timeshare properties can close. Those "steps" often are the same as what many consumers already were told on the

telephone:

1. Get a certified check for the amount of \$1,500.00 made out to BLUE SCAPE PROPERTIES. In Memo put(REF#2873HARV)
2. Fax back a copy of the check to 702-442-5155. ATTN: M.CHANDLER
3. Overnight the check to:  
Blue Scape Timeshares  
2961 Industrial Road  
SUITE#610(CLOSING DEPT)  
Las Vegas, NV 89109
4. GO TO THE POST OFFICE GET A (*sic*) OVERNIGHT EXPRESS TRACKING NUMBER FROM THE POST OFFICE.
5. PLEASE CALL ME WITH TRACKING NUMBER TO GET YOU VERIFIED

...

29. In addition to the list of "steps," Defendants also send consumers a contract that includes identifying information about the consumer and the consumer's timeshare property. Below the identifying information, Defendants' contract states as follows:

"TOTAL COST FOR PROCESSING UNTIL YOUR PROPERTY IS SOLD AND/OR RENTED:" followed by the total amount of Defendants' fee. Defendants instruct consumers to sign and return the contract immediately. By the time they receive this contract, many consumers already have paid Defendants by sending Defendants by overnight delivery a money order or cashier's check.

30. The contract consumers receive from Defendants does not relate to a pending sale of the consumer's timeshare property, as Defendants had represented in the telemarketing call. Instead, the contract provides only that Defendants will advertise the

consumer's timeshare property for sale or rent. For example, Defendants' contract includes the following:

I understand and acknowledge the following:  
Blue Scape Timeshares is an advertising company. The property owner pays a one-time, non-recurring advertising fee. Our advertising program pools the advertising resources of our customers to get the exposure needed to sell and/or rent your property. Our company forwards all inquiries and offers on your property directly to you, and allows you to negotiate the sales or rentals of your property without the involvement of any real estate brokers, and without the expense of any commission. Our company is not involved in any negotiation for the sale or rental of your property, but we will assist and guide you in the process to the best of our ability. [...] This advertising agreement can be terminated with a written request (we must receive the request within 7 days of sign up, as your advertising begins within the first 48 hours). [...]

31. Upon receiving Defendants' contract, many consumers sign and return it, mistakenly believing the contract is for the sale of their timeshare property as Defendants had represented in the telemarketing call. In numerous other instances, however, consumers realize upon reviewing Defendants' contract that it is only a marketing contract, not a contract for the sale of their timeshare property.

32. Consumers who call Defendants to question the contract often are told that it is a standardized form contract that consumers must sign and return to proceed with the sale. These consumers are then often reassured that Defendants' buyer is ready to proceed and that the closing date already has been set. Relying on Defendants' representations, many consumers then sign and return Defendants' contract.

33. After receiving consumers' payments and signed contracts, Defendants often do not contact the consumers again. The promised date for the closing of a consumer's timeshare property typically passes without any further contact from Defendants.

34. Defendants then employ a series of tactics to stall consumers who attempt to contact them. For example, consumers typically are not permitted to speak to the telemarketer who handled the initial call and are told that the telemarketer is unavailable, out of the office, or busy helping other customers. Requests by consumers for return telephone calls frequently go unanswered. When consumers are able to speak to someone, they often are told that the sale of their timeshare property is proceeding but that a delay has occurred. The reasons given for the delay vary but typically relate to missing paperwork or problems with the buyer's financing. However, the promised sales never close and consumers do not receive a refund at closing of the fees they already paid to Defendants.

35. When consumers realize they have been deceived and that Defendants do not

COUNT I

38. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of their timeshare resale services, Defendants have represented, directly or indirectly, expressly or by implication, that:

A. Defendants have a buyer for the consumer's timeshare property who will pay a specified price;

B. Defendants will refund their fee to the consumer at the closing of a sale of the consumer's timeshare property; and

C. The proposed sale of the consumer's timeshare property is reviewed and approved by the Federal Trade Commission.

39. In t 7 of a

## THE TELEMARKETING SALES RULE

41. Congress directed the FTC to prescribe rules prohibiting abusive and deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15 U.S.C. §§ 6101-6108, in 1994. The FTC adopted the original Telemarketing Sales Rule in 1995, extensively amended it in 2003, and amended certain provisions thereafter. 16 C.F.R. Part 310.

42. Defendants are “sellers” or “telemarketer[s]” engaged in “telemarketing,” as defined by the TSR. 16 C.F.R. §§ 310.2(aa), (cc) and (dd).

unfair or deceptive act or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE TELEMARKETING SALES RULE

COUNT II

47. In numerous instances, in the course of telemarketing their goods and



by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

50. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

51. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), authorize this Court to grant such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the TSR, including the rescission or reformation of contracts, and the refund of money.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff FTC, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. § 53(b) and 57b, Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), and the Court's own equitable powers, requests that the Court:

A. Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including, but not limited to, temporary and preliminary injunctions, an order freezing assets, immediate access, and the appointment of a

