

1 CARLTON MOSLEY
2 cmosley@ftc.gov
3 GREGORY A. ASHE
4 gashe@ftc.gov
5 FEDERAL TRADE COMMISSION
6 600 Pennsylvania Ave., NW
7 Washington, DC 20580
8 Telephone: (202) 326-2163 (Mosley)
9 Telephone: (202) 326-3719 (Ashe)
10 Facsimile: (202) 326-3768

11 JEFFREY TANG (CA Bar No. 308007)
12 Local Counsel
13 jtang@ftc.gov
14 FEDERAL TRADE COMMISSION
15 10990 Wilshire Blvd., Ste. 400
16 Los Angeles, CA 90024
17 Telephone: (310) 824-4325
18 Facsimile: (310) 824-4380

19 Attorneys for Plaintiff
20 FEDERAL TRADE COMMISSION
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Plaintiff,

v.

, also d/b/a APEX
DOC PROCESSING LLC, also d/b/a
APEX DOC PROCESSING,

, also
d/b/a SLFD PROCESSING,

CASE NO.

1
2 , a/k/a Marco Manzi
3 Pumar,
4 , a/k/a Ivan
5 Alexander, and
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7 Defendants.

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

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10 1. The FTC brings this action under Sections 13(b) and 19 of the Federal
11 Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the
12 Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing
13 Act”), 15 U.S.C. §§ 6101-6108, and Section 522(a) of the Gramm-Leach-Bliley
14 Act (“GLB Act”), 5 U.S.C. § 6822(a), which authorize the FTC to seek, and the
15 Court to order temporary, preliminary, and permanent injunctive relief, monetary
16 relief, and other relief for Defendants’ acts or practices in violation of Section 5(a)
17 of the FTC Act, 15 U.S.C. § 45(a), the FTC’s Telemarketing Sales Rule (“TSR”),
18 16 C.F.R. Part 310, and Section 521 of the GLB Act, 5 U.S.C. § 6821, in
19 connection with their deceptive marketing and sale of student loan debt relief
20 services.
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27 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§
28 1331, 1337(a), and 1345.

1 3. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2),
2 (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).
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1 same office building. Apex transacts or has transacted business in this District and
2 throughout the United States. At all times relevant to this Complaint, acting alone
3 or in concert with others, Apex has advertised, marketed, offered to provide, sold,
4 or provided student loan debt relief services to consumers throughout the United
5 States.
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1 documents in connection with the business activities alleged in this Complaint. He
2 has been a signatory on bank accounts for SLFD Processing and has served as the
3 customer contact for telecommunications, domain hosting, and merchant
4 processing agreements for Apex and SLFD Processing. Manzi has also
5 participated in settlement negotiations with the Minnesota Attorney General's
6 Office on behalf of SLFD Processing. At all times relevant to this Complaint,
7 acting alone or in concert with others, he has formulated, directed, controlled, had
8 the authority to control, or participated in the acts and practices of Apex and SLFD
9 Processing, including the acts and practices set forth in this Complaint. Manzi
10 resides in this District and, in connection with the matters alleged herein, transacts
11 or has transacted business in this District and throughout the United States.

12 8. _____, has held himself out as the chief executive
13 officer of Apex. At all times relevant to this Complaint, acting alone or in concert
14 with others, he has formulated, directed, controlled, had the authority to control, or
15 participated in the acts and practices of Apex and SLFD Processing, including the
16 acts and practices set forth in this Complaint. Esquivel resides in this District and,
17 in connection with the matters alleged herein, transacts or has transacted business
18 in this District and throughJ-0.004 Tc 8.8S4trnted utates. wrheApes ing,

1 process for both Apex and SLFD Processing. At all times material to this
2 Complaint, acting alone or in concert with others, he has formulated, directed,
3 controlled, had the authority to control, or participated in the acts and practices of
4 Apex and SLFD Processing, including the acts and practices set forth in this
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12. Since at least

1 as a “Government Funded Student Loan Forgiveness Program.” Defendants tell
2 consumers who sign up for Defendants’ services to cease making payments to their
3 servicers, and instead to make monthly loan payments to the Defendants.
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5 14. In fact, Defendants have failed to apply most or any of the payments
6 to consumers’ student loans, but rather diverted the payments to themselves. In
7 numerous instances, Defendants also have failed to obtain the lower monthly
8 payment amount, loan balance, or loan forgiveness that they promised consumers.
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10 15. In exchange for the promised debt relief services, 04 Tw 3.692 u.7 (ise)12.1 (di8 (o
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1 over 45 million borrowers owing approximately \$1.75 trillion. Student loan debt is
2 also one of the most distressed classes of debt: approximately \$110.5 billion of
3 student loans are in default.
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5 18. The federal government administers several student loan forgiveness
6 and discharge programs. These include income-based repayment (“IDR”)
7 programs.
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9 19. Consumers can apply for these and other programs through ED or
10 their student loan servicers at no cost. These programs do not require the
11 assistance of a third-party company or payment of application fees.
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13 20. In addition to these programs, beginning in 2020, the federal
14 government temporarily paused student loan repayment requirements due to
15 economic conditions arising from the COVID-19 pandemic. And in 2022,
16 President Biden and ED announced a one-time student debt relief initiative as well
17 as changes to the government’s income-driven repayment plans (hereafter, the
18 “Biden-Harris Administration’s Student Loan Debt Relief Plan”).
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23 21. The original coronavirus relief bill, the Coronavirus Aid, Relief, and
24 Economic Security Act (“CARES Act”), signed into law on March 27, 2020,
25 temporarily paused payments and involuntary collections on federally held student
26 loans through September 30, 2020. President Trump extended the pause until
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December 31, 2020, and President Biden has extended the pause into 2023.

During the pause, payments are not due, collection activities (like wage garnishment and reduction of tax refunds) have been prohibited, and interest does not accrue on loan balances.

22. Months during the pause count toward the 120 payments required by PSLF (if the borrower works for a qualifying employer during the suspension plan) and also t

1 code were necessary to “verify” consumers’ identities and determine eligibility for
2 Defendants’ debt relief program. Defendants have asked consumers to provide an
3 email address or phone number so that Defendants could send a verification code,
4 which consumers were to read aloud before proceeding with Defendants’ debt
5 relief application process. Defendants did not themselves send these verification
6 codes; rather, Defendants have used consumers’ information to request a password
7 reset for consumers’ Federal Student Aid accounts which prompts a verification
8 code to be sent to the email address or phone number associated with consumers’
9 accounts. Defendants have then used consumers’ FSA PINs and the verification
10 codes to change consumers’ Federal Student Aid account passwords and access
11 information about consumers and their federal student loans.
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16 27. In telephone calls, Defendants have told numerous consumers that
17 Defendants will obtain a student loan repayment schedule for consumers of
18 specific monthly loan payment amounts that are significantly lower than what the
19 consumer had been paying. Defendants have typically quoted consumers an
20 “initial” reduced monthly payment effective for up to six months, followed by a
21 further reduced monthly payment to be effective for the remainder of a 120 to 240
22 month loan term, depending on the program advertised to consumers. For
23 example, one consumer who had been paying around \$400 per month was told that
24 his new monthly payment would be \$145.83 for six months, followed by monthly
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payments of \$0 for the remainder of a 240-month term; another consumer who had
been paying around \$500 per month was told her new payment would be \$300 for
five months, followed by monthly payments of \$268.48 for the (o) [(a) r then llonth lay Td7on\$

1 over everything.” The testimonial continues, “I just finished making my six
2 months’ payment for the loan forgiveness, so I’m able to move on with life.”

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4 31. In multiple instances, Defendants have told consumers their loan
5 balances would be reduced by \$10,000 or \$20,000 under “Biden Loan
6 Forgiveness” or some similar name (which consumers have understood to refer to
7 the Biden-Harris Administration’s Student Loan Debt Relief Plan), if they paid a
8 fee or made purported loan payments. For example, one consumer was told that
9 “because I received a Pell Grant, my student loans would be forgiven up to
10 \$20,000, if I paid a processing fee of \$375.” Another consumer was told that
11 “under ‘the student loan forgiveness program’: (1) my student loan balance would
12 be reduced by \$10,000 and (2) I would begin a new loan repayment plan starting
13 with six monthly payments of \$250[.]”
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17 32. In numerous instances, Defendants have told consumers that
18 Defendants “work with,” are “affiliated with,” or are a “designated third-party” of,
19 ED. For example, one consumer reports that Defendants said that “government
20 agencies have been ‘overloaded with requests’ for federal student loan forgiveness,
21 and that accordingly, SLFD Processing was ‘taking on some of these cases’ for the
22 government.” Defendants have used these representations, along with claims that
23 Defendants will send a verification code that is in fact from Federal Student Aid, to
24 gain access to consumers’ Federal Student Aid accounts and personal information
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1 to feign Defendants’ legitimacy and Defendants’ purported affiliation. In fact,
2 multiple consumers report that they believed Defendants were affiliated with ED.
3 Further, in multiple instances, Defendants have sent written communications to
4 consumers stating “You have been accepted into The Student Loan Forgiveness
5 Program . . . As we discussed this is a Government Funded Student Loan
6 Forgiveness Program based on income & family size.” There is no federal student
7 loan forgiveness program named “The Student Loan Forgiveness Program,” nor
8 does any third-party receive government funding to administer such a program.
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12 33. In numerous instances, Defendants have instructed consumers to stop
13 payments to their loan servicers once they have enrolled in Defendants’ purported
14 debt relief program. In some instances, Defendants have represented in calls to
15 consumers that Defendants will be taking over or handling servicing of consumers’
16 loans, and that payments should be made to Defendants as the “new” servicer. In
17 other instances, Defendants have represented that Defendants will handle all loan-
18 related communications with consumers’ servicers, including repayment, and that
19 consumers should accordingly make all payments directly to Defendants to
20 forward to consumers’ loan servicers.
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24 34. In certain instances, Defendants have further instructed consumers to
25 ignore notices from their loan servicers. One consumer reports that Defendants
26 “warned me to ignore any notices from my loan servicer, Great Lakes, because the
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1 loan servicer would ‘lose money’ under this arrangement and would try to dissuade
2 me from taking advantage of the best deal.”

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4 35. In numerous instances, Defendants have also led consumers to believe
5 that all or most of the consumers’ new, lower payments will be applied to their
6 student loans. For example, one consumer reports that Defendants claimed they
7 would “forward the \$10 monthly payments to my federal loan servicer.” In
8 multiple instances, Defendants have written to consumers that, under Defendants’
9 program, consumers “qualify for 6 payments of [the initial amount] & after that
10 you qualify for payment of [the ongoing reduced payment amount] for the next 12
11 months.”
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16 36. Defendants have collected personal information, FSA PINs, and
17 payment information from consumers interested in Defendants’ services, often
18 representing that Defendants are affiliated with ED or part of a federal government
19 program.
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22 37. Shortly thereafter, Defendants email consumers an electronic contract
23 with a payment authorization form, wic c (i)-8 (z)-40ab (u)8.3 (m)4.2 (e)3.5 (r)3.7 (s a)]TJ-0.00
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43. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the Commission.



1 customer in exchange for consideration. 16 C.F.R. § 310.2(dd). A “telemarketer”
2 means any person who, in connection with telemarketing, initiates or receives
3 telephone calls to or from a customer or donor. 16 C.F.R. § 310.2(ff).
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5 “Telemarketing” means a plan, program, or campaign which is conducted to
6 induce the purchase of goods or services or a charitable contribution, by use of one
7 or more telephones and which involves more than one interstate telephone call. 16
8 C.F.R. § 310.2(gg).
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10 51. Defendants are sves Dees or60 gsi5 (e)3.6 (s or)3erae10(1)0.2MC 12.1 (i3 (/ 823y4
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56. In numerous instances, in connection with the telemarketing of student loan debt relief services, Defendants have requested or received payment of a fee or consideration for debt relief services before:

- a. Defendants have renegotiated, settled, reduced, or otherwise altered the terms of at least one debt pursuant to a settlement agreement, debt management plan, or other such valid contractual agreement executed by the customer; and
- b. The customer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement

1 indirectly, expressly or by implication, material aspects of their debt relief services,
2 including, but not limited to that:

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- 4 a. Consumers who purchase Defendants' debt relief services will be
5 enrolled in a repayment plan that will reduce their monthly
6 payments to a lower, specific amount or have their loan balances
7 forgiven in whole or in part;
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- 9 b. Most or all of consumers' monthly payments to Defendants will be
10 applied toward consumers' student loans;
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- 12 c. Defendants are affiliated with ED or part of a federal government
13 program; or
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- 15 d. Defendants will assume responsibility for the servicing and
16 repayment of consumers' student loans.
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18 59. Therefore, Defendants' acts or practices as set forth in Paragraph 58
19 of this Complaint violate Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. §
20 310.3(a)(2)(x).
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24 60. In numerous instances, in connection with the telemarketing of debt
25 relief services, Defendants have created or caused to be created, directly or
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1 who maintain a credit, deposit, trust, or other financial account or relationship with
2 the institution.” 15 U.S.C. § 6827(4)(A).

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4 64. Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), empowers the
5 FTC to enforce Section 521 of the GLB Act “in the same manner and with the
6 same power and authority as the [FTC] has under the Fair Debt Collection
7 Practices Act [FDCPA] . . . to enforce compliance with such Act.” Pursuant to
8 Section 814(a) of the FDCPA, 15 U.S.C. § 1692l(a), a violation of the FDCPA is
9 deemed an unfair or deceptive act or practice in violation of the FTC Act. Section
10 814(a) of the FDCPA further provides that all of the functions and powers of the
11 FTC under the FTC Act are available to the FTC to enforce compliance by any
12 person with the FDCPA, including the powers to the enforce provisions of the
13 FDCPA in the same manner as if the violation had been a violation of an FTC
14 trade regulation rule. Section 19 of the FTC Act, 15 U.S.C. § 57b, authorizes this
15 Court to grant such relief as the Court finds necessary to redress injury to
16 consumers resulting from Defendants’ violations of the GLB Act, including but not
17 limited to the rescission or reformation of contracts, and the refund of money or
18 return of property.
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65. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of student loan debt relief services, Defendants make false, fictitious, or fraudulent statements or representations to customers of financial institutions to obtain or attempt to obtain customer information of a financial institution, such as credit or debit card numbers, bank account numbers and routing numbers, including by, 2utiu/.12.1 (in n .1 (ia)12.1 (1 i)8.5 (n)8.C9 (i)8.5 (c)3.5lwn .

1 D. Award any additional relief as the Court may determine to be just and
2 proper.

3 Dated: August , 2023

4 Respectfully submitted,

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7 CARLTON B. MOSLEY
8 cmosley@ftc.gov
9 GREGORY A. ASHE
10 gashe@ftc.gov
11 FEDERAL TRADE COMMISSION
12 600 Pennsylvania Ave., NW
13 Washington, DC 20580
14 Telephone: (202) 326-2163 (Mosley)
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