



Federal Trade Commission Protecting America's Consumers

Federal Trade Commission Settlement of AmeriDebt Case



The FTC mailed the first round of AmeriDebt consumer redress checks the week of September 8, 2008. We mailed a second round of consumer redress checks on December 29, 2008.

In May 2006, the court entered a final settlement with the remaining parties involved in the AmeriDebt case, resolving a lawsuit filed in November 2003 against AmeriDebt, DebtWorks, and Andris Pukke for engaging in deceptive practices regarding credit counseling and debt management plans.

The settlement required Andris Pukke to give up virtually all of his assets, up to \$35 million. The court ordered a Receiver to collect and sell property owned by Andris Pukke. The receiver has been working diligently to correct and sell various properties & assets.

If you paid fees or contributions to AmeriDebt between January 31, 1998 and October 7, 2004, and you did not receive a check:

- AmeriDebt consumers should call the FTC's redress administrator at 888-309-3816.
- If we have your information in the database, you can make a request that we re-issue the check (although we can't re-issue checks until April 2009). If we do not have your information in the database, we will send you a claim form.

Checks to consumers who obtained a DMP from another agency affiliated with Debtworks were mailed redress checks through a class action on October 28, 2008. For updates, see www.polacsekclass.com

Frequently Asked Questions (12/11/08)

Contempt Action

Order Holding Andris Pukke and Peter Baker in Contempt of Court (3/30/07) [[PDF](#)]

Case Information

Complaint (11/19/03)	[PDF]
Consent Order with AmeriDebt (03/21/05)	[PDF]
Consent Order with Andris Pukke (05/17/06)	[PDF]
Consent Order with Pamela Pukke (02/09/06)	[PDF]
News Release (01/09/06)	[TEXT]
Class Action Settlement (entered 9/18/06)	
Final Approval Order	[PDF]

Class Settlement With Andris Pukke [\[PDF\]](#)
Class Settlement With Pamela Pukke [\[PDF\]](#)

Consumer Information

Before You File for Personal Bankruptcy:
Information About Credit Counseling and Debtor Education [\[TEXT\]](#) [\[PDF\]](#)
For People on Debt Management Plans: A Must-Do List [\[TEXT\]](#) [\[PDF\]](#)
Fiscal Fitness: Choosing a Credit Counselor [\[TEXT\]](#) [\[PDF\]](#)
Knee Deep in Debt [\[TEXT\]](#) [\[PDF\]](#)

Receiver Reports

June 2005 Report [\[PDF\]](#)
September 2005 Report [\[PDF\]](#)
March 2006 Report [\[PDF\]](#)
June 2006 Report [\[PDF\]](#)
Motion for Contempt, October 2006 [\[PDF\]](#)
October 2007 Report [\[PDF\]](#)

Last Modified: Wednesday, 31-Dec-2008 14:37:00 EST

FTC v. AmeriDebt, Inc., et al.
Claims Administration Center
P.O. Box 808054
Petaluma, CA 94975-8054



CLAIM #: FTCADB-1097510-1



LICH TRAN
9353 BOLSA AVE
132
WESTMINSTER, CA 92683-5951

24095

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
FTC v. AmeriDebt, Inc., et al.
Claims Administration Center
P.O. Box 808054, Petaluma, CA 94975-8054

FTC v. AmeriDebt, Inc., et al.

3972153

Dear Consumer:

The Federal Trade Commission ("FTC"), the nation's consumer protection agency, and individual consumers filed lawsuits against AmeriDebt and other defendants alleging they deceived consumers about the fees for debt management plans and falsely claimed that AmeriDebt was a non-profit group. We are sending you this letter and the enclosed check because you were a customer of AmeriDebt, Inc., et al.

The FTC and a class action representing individual consumers, in the case *Polacsek v. Debticated Consumer Counseling, Inc.*, have settled those lawsuits. According to our records, you lost money as a result of payments to AmeriDebt. The enclosed check is your share of the coordinated settlement. The amount is based on the initial and monthly fees you paid to the company. AmeriDebt is now out of business.

Please cash the enclosed check no later than November 08, 2008. After this date, your check could bounce and you could be charged a bank fee.

Please call us toll-free at 1-888-309-3816 if you have any questions.

You can find additional information about the FTC's case from the FTC's news release, available online at:
<http://www.ftc.gov/ameridebt>.

Sincerely,

Office of the Settlement Administrator

BILL LOCKYER
Attorney General

State of California
DEPARTMENT OF JUSTICE



PUBLIC INQUIRY UNIT
P.O. BOX 944255
SACRAMENTO, CA 94244-2550
(916) 322-3360
TOLL FREE: (800) 952-5225
TDY: (916) 324-5564
or (800) 952-5548

August 11, 2003

Lich Danh Tran
9353 Bolsa Ave., #132
Westminster, CA 92683

RE: AMERIDEBT, INC.

Dear Lich Danh Tran:

Thank you for bringing your consumer complaint to the attention of Attorney General Bill Lockyer. Your complaint is valuable to us as it alerts our office to consumer problems that might not otherwise be brought to our attention.

Whenever possible we attempt to establish better lines of communication between the two parties involved in a consumer dispute. **We will write to the company that you have a complaint against and request a response from them regarding your concerns.** This procedure is an attempt to resolve the dispute between you and the company. In many cases, the consumer and the company will reach a mutually satisfactory agreement as a result of our efforts.


We do want to inform you, however, that our office is prohibited by law from representing individual citizens in legal matters. We do, within the limits of our resources, bring lawsuits for violations of California law in cases of statewide significance. However, our role in any legal action against a company is on behalf of all of the people of California.

We will retain your consumer complaint in our files because at some future date, legal action could be taken against this company by our office. If legal action is taken against the company named in your letter, your complaint could be utilized as important evidence and provide vital documentation for our use on behalf of all California consumer's interests.

Hopefully our correspondence to the company named in your complaint will lead to a satisfactory resolution of your problem. If not, you may wish to contact private legal counsel to advise you of other possible remedies.

Again, thank you for writing the Office of Attorney General Bill Lockyer.

Sincerely,



ROBERT M. RAYMER, Analyst
Public Inquiry Unit

For **BILL LOCKYER**
Attorney General

RMR:ch

BILL LOCKYER
Attorney General

State of California
DEPARTMENT OF JUSTICE



PUBLIC INQUIRY UNIT
P.O. BOX 944255
SACRAMENTO, CA 94244-2550
(916) 322-3360
TOLL FREE: (800) 952-5225
TDY: (916) 324-5564
or (800) 952-5548

July 10, 2003

Lich Danh Tran
9353 Bolsa Avenue, #132
Westminster, CA 92683

RE: AMERIDEBT

Dear Lich Danh Tran:

Thank you for bringing your consumer complaint to the attention of Attorney General Bill Lockyer and his staff. Often it is only through letters from concerned individuals that we become aware of some consumer problems.

Complaints are used to develop information about patterns of business activity which might indicate the need for formal investigation or law enforcement action by our office. Complaints often provide early warning of what promises to be a pervasive scam. Once a pattern is discovered, what originated as a private dispute between buyer and seller may become a matter of broad public interest and thus warrant the Attorney General's intervention under the state's consumer protection laws.

The Attorney General's staff also accepts complaints of consumer abuse, deceptive business practices and outright fraud in order to pinpoint specific data for the purpose of sponsoring new laws or requesting changes in the current law for the benefit and protection of the general public.

Each written consumer complaint received by this office is carefully reviewed by our staff. In some instances we will send a letter of inquiry to the company complained against and request that it respond directly to our office regarding the allegations brought forth in the complaint. In many cases the consumer and company will reach a mutually-satisfactory agreement as a result of our efforts.

It is not always appropriate for us to send such inquiry letters. In some instances, our office may be in negotiations with legal counsel for a company prior to filing legal action or we may be proceeding with a formal investigation which requires confidentiality.

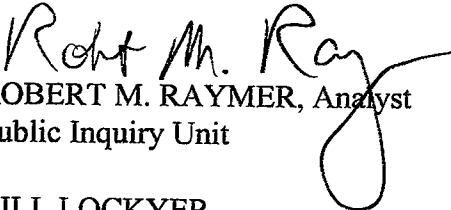
Lich Danh Tran
July 10, 2003
Page 2

It is against the policies of this office to discuss the existence or status of pending investigations with consumers, because they may be covert, or because the case has not progressed to the point where we are prepared to present formal charges in a public forum.

If any lawsuit is filed by this office, it is done on behalf of the collective legal interests of the people and is primarily directed at ending ongoing illegal activity. Although our consumer actions do sometimes result in restitution for victims, state law prohibits the Attorney General from acting directly on behalf of an individual who seeks monetary settlements or damages.

Please be assured that your complaint is receiving the attention that it deserves. While we are not able to offer direct personal assistance with your problem, we sincerely appreciate your efforts in providing us with the information contained in your complaint. If the problem described in your complaint results in a formal action which culminates in restitution for victims, we will have your name and address in our files and we will be able to contact you directly.

Sincerely,


ROBERT M. RAYMER, Analyst
Public Inquiry Unit

For BILL LOCKYER
Attorney General

RMR:lsv



Better Business Bureau®

Serving Metro Washington DC and
Eastern Pennsylvania

1411 K Street, NW, 10th Floor • Washington, DC 20005-3404
Ph: (202) 393-8000 • Fax: (202) 393-1198 • www.mybbb.org

August 15, 2003

Mr. LICH TRAN
9353 BOLSA AVE #I32
WESTMINSTER, CA 92683

RE: Ameridebt

Dear Mr. TRAN:

The Better Business Bureau (BBB) is in receipt of your request for assistance. Thank you for letting us know of your concerns and for providing us the opportunity to help.

We will be processing your complaint in accordance with our normal dispute resolution procedures. With this, we will contact the firm about your dispute concerns and encourage their active participation in addressing the matter. Our conciliation efforts call for at least three attempts to obtain a response from the firm. Once we have opened the lines of communications with them, we will let you know.

In most cases, we do receive a prompt response to our requests. In cases where the firm ignores our requests, we will let you know accordingly, provide guidance on further steps you might take and make the appropriate notations in the firm's record.

If the firm contacts you directly, please let us know so that we may close out our file on the matter.

As a part of the BBB's role in monitoring the marketplace, complaint information against firms is sometimes provided to regulatory agencies.

Sincerely,

Brenda Freeman
Trade Practice Consultant

Success!
Complaint Accepted. Thank you for your input.

First Name: Lich
Last Name: Tran
Age Range: 50 - 59
Street Address: 9353 Bolsa Ave #i32
City: westminster
State or Canadian Province: California
Country: UNITED STATES
Zip Code or Postal Code: 92683
E-Mail Address: lich@lich-mc.com
Home Phone: (714)6368892
Work Phone: (562)5936139Ext.
Subject of Your Complaint: Credit Reports
Name of Company You Are Complaining About: SEARS
Street Address: 12201 Bluegrass Parkway
City: Louisville
State or Canadian Province: Kentucky
Country: UNITED STATES
Zip Code or Postal Code: 40299
Company Web Site: www.sears.com
Phone Number: (800)3239396Ext.0662

How Did the Company Initially Contact You?: Mail

How Much Did the Company Ask You to Pay?: 2503.91

How Much Did You Actually Pay the Company?: 1943.91

How Did You Pay the Company?: Personal Check

First Name: Julie

Last Name: Devine

Date Company Contacted You: 09/23/2003 (MM/DD/YYYY)

Explain Your Problem: (Please limit your complaint to 2000 characters.): As statewide significance, my complaint can be utilized as an important evidence for State legal action against Sears' unfair practice on behalf of all of the people of California and citizen of The United States. In Nov 1999, SEARS agreed with Ameridebt to consolidate my account and other credit cards. After 4 years, SEARS received \$1584.00 (44 payments of \$36/month); yet, my account did not decrease but increased from \$1206.03 (11/15/1999) to \$2503.91 (05/01/2003). I had not received any statement from SEARS during this 4 years period. In Mar 2003, I received the first bill with my wrong address from SEARS. I filed a claim. SEARS admitted an error in its system, but agreed to credit back only \$900 and my account still as high as \$1603.91 (2503.91-900). It is unfair practice because of high interest rate, unauthorized protection fee charged on my account, and the error input my address in SEARS system. SEARS blamed on Ameridebt for small payment of \$36. Still, in compared to other credit cards, the payment to SEARS is very high. At the same time, Ameridebt paid AT&T only \$30 per month, and the AT&T balance was reduced from \$1,400.00 (Nov 1999) to \$417.81(May 2003). Ameridebt paid Micro Center \$25 per month, and the Micro Center account was reduced from \$1,127.00 (Nov 1999) to \$338.05 (May 2003). In May 2003, I proposed a solution with a table for 22 % annually interest rate and paid the full amount of \$359.91 (based on AT&T \$417.81/\$1400*\$1206) to pay off my entire balance. SEARS accepted my payment; but reported my account delinquent and continued to accumulate the unfair charge. On 09/23/2003 SEARS sent me the last letter stated, "no further correspondence is necessary." I believe such unfair practice and unjust enrichment causes our society more hostile and more dangerous. I wonder about many American having the same problem with SEARS but they cannot write a claim like me. What will they do? I hope States can help them with my claim.

Ameridebt, Inc.
12850 Middlebrook Road, Suite 400
Germantown, MD 20874

December 21, 1999

Lich Tran
507 S Euclid St #1
Santa Ana, CA 92704

Dear Lich

Thank you for giving Ameridebt, Inc. the opportunity to assist you with your financial needs. We have received your account information from your financial consultant. Formal proposals, based on account balances you provided, have been sent to each of the creditors you enlisted onto the program.

Please remember that it will normally take us approximately 30 days to complete negotiations with your creditors. ~~Please call our office after this initial period to check on any creditor denials.~~ You may receive phone calls from your creditors during this time. Do not panic. This is perfectly normal. If and when they call, please tell them that you are working with our non-profit credit counseling organization. Give them our company name and phone number. Ask them to call us directly.

Please review the entire contents of the introduction packet that was sent to you from Ameridebt, Inc. It has valuable information you can also use in dealing with creditors. **If you did not receive your introduction packet, please call us immediately.**

Once payments start reaching your creditors, which takes at least 30 days from the date of your first payment. **It is very important that you check the monthly statements that you will continue to receive from your creditors.** These will provide verification that payments are being credited to your accounts and applicable benefits are being received. Should you find problems with these statements, you will need to call us.

Also, please remember that all future payments must be made payable to Ameridebt, Inc. **All payments are required to be made in the form of a money order, certified or cashier's check.** Should you have any questions regarding any of these forms of payment, please do not hesitate to call us for more information.

We are looking forward to working with you and helping you achieve your financial goals. Please feel free to call us anytime.

Sincerely,

Client Services
(301) 515-7000
Client Service hours are Monday through Friday, 9:00 a.m. to 6:00 p.m. EST.



November 3, 1999

Lich Tran
507 S. Euclid St. Apt #1
Santa Ana, CA 92704

Dear Lich:

As per our conversation, I have enclosed a brief outline of your consolidation. At the conclusion of these negotiations, we will provide you with more specifics. This information will include the details on the new interest rates and new payments.

Creditor:

First USA Card

Micro Center

Sam Club

Discover Card

Shell Mastercard

First Card

AT&T Universal Card

Sears

Citibank

Proposal Amt. / Interest Rate

\$25.00 / 6%

\$25.00 / No Reduction

\$10.00 / No Reduction

\$165.00 / 9.9%

\$75.00 / 6%

\$70.00 / 6%

\$30.00 / 9.9%

\$27.00 / No Reduction

\$20.00 / 9.9%

\$ 447.00

PAY \$528

If there are any questions about this information, please don't hesitate to contact me at your convenience. I can be reached at (800) 357-4826 ext. 199.

Sincerely,

Mike Marinovich
Financial Consultant

Ameridebt, Inc.
321 Ballenger Center Drive
Frederick, MD 21703
Phone: (800) 229-9172 Fax: (240) 215-2222

STATEMENT

PAYMENT AMOUNT: \$492.00

TRAN, LICH
9353 BOLSA AVE #132
WESTMINSTER, CA 92683

CLIENT #79551
Counselor: Mike Kiefer

IMPORTANT: Please review all information below to ensure that account numbers and creditor information are correct. Please contact customer service at (800) 229-9172 to report corrections to the information.

Creditor	Code	Account Number	Mthly Pmt	Estimated Balance
DISCOVER	128547	6011-0009-5010-5480	\$165.00	
CHASE USA/ SHELL MASTE	51373	5369-9332-2041-6602	\$75.00	
CITIBANK MD12	54534	4128-0032-5423-3292	\$20.00	
MCCBG/SAM'S CLUB	63669	77-1017-369127-0	\$29.00	
FIRST USA	130558	5286-3066-6649-2421	\$70.00	
CITIBANK UNIVERSAL/MD12	43912	5398-4000-2816-6008	\$32.00	
FIRST USA	130558	4417-1680-6310-3711	\$23.00	
WFNNB/MICRO CENTER	308856	5856-3700-2072-8425	\$25.00	
		Contribution:	\$53.00	
		Total:	\$492.00	\$20,356.00