The Federal Trade Commission (FTC) reached a settlement with defendants in the United States who abetted unlawful debt collection calls from India. A California man who worked with bogus debt collectors in India has agreed to settle FTC charges that he and his companies deceived and threatened consumers into paying debts that were not owed or that the defendants were not authorized to collect. In conjunction with the settlement, the defendants will relinquish nearly all of their assets, amounting to roughly $175,000, which will be used for consumer refunds.

The case against American Credit Crunchers, LLC and EBeeze, LLC is part of the FTC's continuing crackdown on scams that target consumers in financial distress. According to the FTC's complaint, callers who worked with the defendants would contact consumers who previously had received or inquired about online payday loans. The callers, often pretending to be law enforcement or other government authorities, would falsely threaten to immediately arrest and jail consumers if they did not agree to make a payment on a supposedly delinquent payday loan. Callers would also threaten to have consumers terminated from their employment or sued civilly. However, the consumers contacted did not owe any money to the defendants. The FTC reported that either the payday loan debts never existed or that the defendants had no authority to collect them because they were owed to someone else. Nonetheless, consumers received millions of collection calls from India and in a two-year period the scam took in more than $5 million from victims.

The FTC charged the defendants with violating the FTC Act and the Fair Debt Collection Practices Act. The Federal Trade Commission works with consumers to prevent fraudulent, deceptive, and unfair business practices. Consumers can lodge a complaint with the FTC online at **www.ftccomplaintassistant.gov** or by calling 1-877-FTC-HELP (1-877-382-4357). The FTC website (**www.ftc.gov/consumer**) provides free information on a variety of consumer topics.