

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL
CIRCUIT IN PALM BEACH COUNTY, FLORIDA

OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA, DEPARTMENT OF
LEGAL AFFAIRS,

Plaintiff,

-vs-

CASE NO

STRATEGIC STUDENT SOLUTIONS LLC, *a*
Florida Limited Liability Company, and
DAVE GREEN, *an individual*,

Defendants.

COMPLAINT

Plaintiff, Office of the Attorney General, State of Florida, Department of Legal Affairs (“Attorney General”), brings this action under Florida’s Deceptive and Unfair Trade Practice Act, Chapter 501, Part II, Florida Statutes (“FDUTPA”), against STRATEGIC STUDENT SOLUTIONS LLC, a Florida Limited Liability Company, and DAVE GREEN, an individual (collectively “Defendants”), to obtain permanent injunctive relief, restitution, the imposition of civil penalties, an award of attorney’s fees, and other equitable relief, and further states:

I. JURISDICTION AND VENUE

1. This action is brought pursuant to FDUTPA. This Court has jurisdiction pursuant to FDUTPA and Section 26.012, Florida Statutes.
2. Defendants at all times material to this Complaint, whether acting alone or in concert with others, solicited consumers within the definition of Section 501.203(7), Florida Statutes, and engaged in trade or commerce as defined by Section 501.203(8), Florida Statutes.

3. Venue is proper in the Fifteenth Judicial Circuit as Defendants, during the pertinent period alleged in this Complaint, maintained several places of business located in Palm Beach County, Florida. Further, the statutory violations alleged herein affected or occurred in more than one judicial circuit in the State of Florida.

II. PLAINTIFF

4. The Attorney General is an enforcing authority of FDUTPA and is authorized by Section 501.207(1)(b), Florida Statutes, to bring an action to enjoin any person who has violated, is violating, or is otherwise likely to violate FDUTPA, and by Section 501.207(3), Florida Statutes, to obtain further equitable relief, as appropriate.

5. The State of Florida has conducted an investigation, and the Attorney General has determined that an enforcement action serves the public interest, as required by Section 501.207(2), Florida Statutes.

III. DEFENDANTS

6. Defendant, Strategic Student Solutions LLC (“Strategic”), is a Florida Limited Liability Company organized under the laws of the State of Florida in or around 2013, with its principal place of business currently located in Las Vegas, Nevada.

7. However, up until January 27, 2017, Strategic’s principal places of business were located in Palm Beach County, Florida in the cities of Boca Raton, Delray Beach, and Lake Worth.

8. On January 27, 2017, ownership of Strategic was transferred to Clafy Holding located in Las Vegas, Nevada.

9. While Strategic’s principal places of business were located in Palm Beach, County, Florida, Strategic offered student loan debt management services to consumers in the State of Florida and elsewhere in the United States.

10. Defendant, Dave Green (“Green”), resides at 8142 Banpo Bridgeway, Delray Beach, Florida 33446-0026. Green is not in the military, and he is otherwise *sui juris*.

11. Up until January 27, 2017, the date upon which corporate ownership was transferred to Clafy Holdings in Las Vegas Nevada, Green was registered with the Florida Department of State, Division of Corporations, as the manager, owner, and sole officer of Strategic. At all times material to this Complaint, whether acting alone or in concert with others, Green formulated, directed, controlled, had the authority to control, and/or participated in the acts and practices of Strategic, as set forth in this Complaint.

IV. DEFENDANTS’ MISLEADING AND DECEPTIVE BUSINESS PRACTICES

12. At material times to this Complaint, the Attorney General became aware of numerous consumer complaints regarding the deceptive and unfair business practices of Defendants as it relates to Defendants’ student loan debt management services.

13. According to most consumers, Strategic offers to pay off consumers’ student loan debt after consumers pay Strategic three initial payments, ranging from approximately \$166 to \$233. Strategic represents to consumers that upon receipt of their third payment, their current student loan monthly payment will be reduced; that the new set amount will be automatically withdrawn from consumers’ bank accounts; and that the new, lower monthly payments will go towards satisfying consumers’ student loan balances.

14. Alternatively, some consumers complained that Strategic represented that after the consumers made the three initial payments outlined above, they were eligible for “Obama’s Student Loan Forgiveness Plan” and that their loans would be forgiven completely.

15. Other consumers were told by Strategic that after payment of the three initial payments and an additional number of designated monthly payments, their student loans too would be forgiven

pursuant to the same Obama's Student Loan Forgiveness Plan.

16. There were a smaller number of consumer complaints regarding robo-calling and telemarketing.

17. In all instances, however, consumers subsequently learned that Strategic failed to make payments to consumers' lenders as promised. Additionally, when consumers contacted their lenders, consumers found that their lenders had neither any knowledge of Strategic, nor any business relationship with Strategic. Consumers further learned that the Federal Department of Education had no special business relationship with Strategic and that the same services offered to consumers by Strategic are available to consumers free of charge. Finally, consumers reported that Strategic did not provide the promised student debt relief services; that Strategic failed to provide sufficient customer support; and that consumers were unable to cancel Defendants' student loan debt services even after following the proper cancellation procedures.

18. Defendants' misrepresentations were likely to mislead consumers acting reasonably and did in fact mislead consumers in the State of Florida and elsewhere.

19. Unless Defendants are permanently enjoined from engaging further in the acts and practices complained of herein, the continued activities of Defendants will result in irreparable injury to the public for which there is no adequate remedy at law.

COUNT I
VIOLATION OF FLORIDA'S DECEPTIVE AND
UNFAIR TRADE PRACTICES ACT

20. Plaintiff adopts, incorporates herein and re-alleges Paragraphs 1-19 above as if fully set forth herein.

21. Section 501.202, Florida Statutes, prohibits unfair methods of competition or unconscionable, deceptive, or unfair acts or practices in the conduct of trade or commerce.

22. As more fully detailed above in paragraphs 1 through 19, Defendants engaged in a pattern of deceptive and unfair acts and practices as it relates to their student loan debt management services offered to consumers in the State of Florida and elsewhere in the United States.

23. Defendants deceive consumers into believing that their student loan debt will be either reduced or completely eliminated upon making certain payments to Defendants.

24. In truth and in fact, consumers' student loan debts are not reduced or eliminated upon making certain payments to Defendants. Rather, after making certain payments to Defendants, consumers subsequently find that Defendants fail to make payments to consumers' lenders as promised; that consumers' monthly student loan amount is not reduced as promised; that consumers' student loans are not forgiven or eliminated as promised; that Defendants have no special relationship with the Federal Department of Education or any other governmental entity to guarantee that consumers' monthly student debt loan amount will be either reduced or eliminated as promised.

25. Consumers additionally find that Defendants fail to provide sufficient customer support and that consumers were unable to cancel Defendants' student debt management services even after following the proper cancellation procedures.

26. Defendants have violated FDUTPA, and the above-described acts and practices of Defendants have injured and prejudiced the public and consumers in the State of Florida and elsewhere.

27. Unless Defendants are permanently enjoined from engaging further in the acts and practices complained of herein, Defendants' continued deceptive and unfair business practices will result in irreparable injury to the public and consumers in the State of Florida for which there is no adequate remedy at law.

V. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, the Attorney General, pursuant to FDUTPA, requests that this Honorable Court enter Judgment against Defendants, jointly and severally, to:

- A. **DECLARE** that the foregoing acts and practices are unfair, deceptive and/or unconscionable in violation of FDUTPA.
- B. Permanently **ENJOIN** Defendants and their officers, affiliates, agents, servants, employees, and those persons in active concert or participation with them who receive actual notice of this injunction, from soliciting, marketing, selling, advertising, engaging in, offering, providing, or accepting payment for any student loan debt management/debt reduction services; and, to prevent future violations of FDUTPA by Defendants;
- C. **AWARD** such relief as the Court finds necessary to redress injury to consumers resulting from the Defendants' violations of FDUTPA, including but not limited to, restitution to all consumers who are shown to have been injured, pursuant to Section 501.207(3), Florida Statutes;
- D. **AWARD** such equitable or other relief as is just and appropriate pursuant to Section 501.207(3), Florida Statutes, including but not limited to, disgorgement of ill-gotten gains and repatriation of assets necessary to satisfy any judgment;
- E. **ASSESS** civil penalties in the amount of Ten Thousand Dollars (\$10,000.00) as prescribed by Section 501.2075, Florida Statutes, or Fifteen Thousand Dollars (\$15,000.00) for victimized senior citizens as prescribed by Section 501.2077, Florida Statutes, for each act or practice found to be in violation of Chapter 501, Part II, of the Florida Statutes.

F. AWARD attorney's fees and costs pursuant to Section 501.2105, Florida Statutes, or as otherwise authorized by law.

G. GRANT such other relief as this Court deems just and proper.

Dated this 23rd day of May 2017.

Respectfully Submitted,

**PAMELA JO BONDI
ATTORNEY GENERAL**

Carol E. A. DeGraffenreidt

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