

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT,
IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

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

Plaintiff,

CASE NO.

v.

DONALD ROBERT GILLETTE, individually
and as President, Director and Owner of Federal
Careers Institute Inc. and franchisor of Federal Careers
Institute of South Florida Inc.,

LORRAINE GILLETTE, individually and as
President and Director of Federal Careers Institute
Inc.,

MARITZA MONTILLA, individually and as
President and Director of Federal Careers Institute
of South Florida Inc.,

LUIS ENRIQUE MORALES, individually and as
franchisee, owner and operator of Federal Careers
Institute of South Florida Inc.,

FEDERAL CAREERS INSTITUTE INC.,
a Florida corporation, and

**FEDERAL CAREERS INSTITUTE OF SOUTH
FLORIDA INC.**, a Florida corporation

Defendants.

_____ /

COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF

COMES NOW the Plaintiff, **OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS, STATE OF FLORIDA**, and files this Complaint against the Defendants, **DONALD ROBERT GILLETTE**, individually and as President, Director and Owner of Federal Careers Institute Inc. and Federal Careers Institute of South Florida Inc., **LORRAINE GILLETTE**, individually and as former President and Director of Federal Careers Institute Inc., **MARITZA MONTILLA**, individually and as President and Director of Federal Careers Institute of South Florida Inc., **LUIS ENRIQUE MORALES**, individually and as owner and operator of Federal Careers Institute of South Florida Inc., **FEDERAL CAREERS INSTITUTE INC.**, a Florida corporation and **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.**, a Florida corporation, and alleges:

JURISDICTION AND VENUE

1. This is an action for civil penalties, injunctive and equitable relief brought pursuant to the Florida Deceptive and Unfair Trade Practices Act (FDUTPA), Chapter 501, Part II, Florida Statutes (2001) and Section 817.40-817.41, Florida Statutes (2000), prohibiting misleading advertising.

2. This Court has jurisdiction pursuant to the provisions of said statutes.

3. The statutory violations alleged herein occurred in or affected more than one judicial circuit in the State of Florida.

4. Venue is proper in the Eleventh Judicial Circuit, Miami-Dade County, Florida, as the defendants reside in Miami-Dade County, engaged in business in Miami-Dade County and/or because much of the conduct alleged below occurred in Miami-Dade County, Florida.

5. Plaintiff is an enforcing authority of Florida's Deceptive and Unfair Trade Practices Act, Chapter 501 Part II, Florida Statutes (2001). Plaintiff is authorized to seek injunctive and other statutory

and civil relief pursuant to the provisions of that Act. Violations of Sections 817.40-817.41, Florida Statutes, constitute violations of Chapter 501, Part II, Florida Statutes, pursuant to Section 501.203(3)(c), Florida Statutes.

6. Plaintiff has conducted an investigation and the head of the enforcing authority, Attorney General Charles J. Crist, Jr., has determined that an enforcement action serves the public interest.

7. Defendants, at all times material hereto, have engaged in "trade or commerce" by advertising, soliciting, offering or distributing a good or service, within the definition of Section 501.203(8), Florida Statutes (2001).

8. Defendants, at all times material hereto, provided goods or services as defined within Section 501.203(8), Florida Statutes (2001).

9. Defendants, at all times material hereto, solicited consumers within the definitions of Section 501.203(7), Florida Statutes (2001).

10. Defendants disseminate advertisements in written and printed forms or otherwise to the public, within the definition of Section 817.40(5), Florida Statutes.

11. Numerous consumers have filed sworn affidavits with the Plaintiff specifying the misrepresentations made to them by Defendants in the course of Defendants' operations and further specifying the damage caused to said consumers.

DEFENDANTS

12. Defendant **DONALD ROBERT GILLETTE** is the **President**, Director, owner and operator of **FEDERAL CAREERS INSTITUTE INC.** and franchisor of **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.** At all times material hereto, Defendant **DONALD**

ROBERT GILLETTE, individually or in concert with others, planned, devised, approved, implemented and participated in the fraudulent practices described below, and controlled the activities of the Defendant corporations. Upon information and belief, Defendant **DONALD ROBERT GILLETTE** is a resident of Miami-Dade County, Florida and is sui juris.

13. Defendant **LORRAINE GILLETTE** is the **past President** and Director of **FEDERAL CAREERS INSTITUTE INC.** At all times material hereto, Defendant **LORRAINE GILLETTE**, individually or in concert with others, planned, devised, approved, implemented and participated in the fraudulent practices described below, and controlled the activities of Defendant **FEDERAL CAREERS INSTITUTE INC.** Upon information and belief, Defendant **LORRAINE GILLETTE** is a resident of Miami-Dade County, Florida and is sui juris.

14. Defendant **MARITZA MONTILLA** is the **President** and Director of **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.** At all times material hereto, Defendant **MARITZA MONTILLA**, individually or in concert with others, planned, devised, approved, implemented and participated in the fraudulent practices described below, and controlled the activities of Defendant **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.** Upon information and belief, Defendant **MARITZA MONTILLA** is a resident of Miami-Dade County, Florida and is sui juris.

15. Defendant **LUIS ENRIQUE MORALES** is the **owner, operator** and franchisee of **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.** At all times material hereto, Defendant **LUIS ENRIQUE MORALES**, individually or in concert with others, planned, devised, approved, implemented and participated in the fraudulent practices described below, and controlled the activities of Defendant **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC.** Upon

information and belief, Defendant **LUIS ENRIQUE MORALES** is a resident of Miami-Dade County, Florida and is sui juris..

16. Defendant **FEDERAL CAREERS INSTITUTE INC. (“FCI”)** is an active for-profit Florida corporation with its principal place of business at 700 South Royal Poinciana Boulevard, Suite 1020, Miami, Florida. Defendant **FCI** was previously located at 782 N.W. 42nd Avenue, Suite 205, Miami, Florida. Defendant **FCI** is owned and operated by Defendant **DONALD ROBERT GILLETTE** and Defendant **LORRAINE GILLETTE**.

17. Defendant **FEDERAL CAREERS INSTITUTE OF SOUTH FLORIDA INC. (“FCI-SF”)** is an active for-profit Florida corporation with its principal place of business at 2700 West Cypress Creek Road, D134, Fort Lauderdale, Florida. Defendant **FCI-SF** is owned and operated by Defendant **DONALD ROBERT GILLETTE**, Defendant **MARITZA MONTILLA** and Defendant **LUIS ENRIQUE MORALES**.

FACTUAL BACKGROUND

18. Plaintiff adopts, incorporates herein and realleges paragraphs 1 through 17 as if fully set forth below.

19. Since at least October of 2002, Defendants **DONALD ROBERT GILLETTE**, **LORRAINE GILLETTE** and **FCI** have placed classified advertisements in various publications in Miami-Dade County. The advertisements, in both English and Spanish publications, announce that the United States Postal Service (“USPS”) is hiring and that paid job training is available. The advertisements fail to disclose, however, that the Defendants are not connected with the USPS, and that postal jobs are not available through them.

20. Since at least January of 2005, Defendants **DONALD ROBERT GILLETTE, MARITZA MONTILLA, LUIS ENRIQUE MORALES** and FCI-SF have placed classified advertisements in various publications in Broward County. The advertisements, in both English and Spanish publications, announce that the United States Postal Service (“USPS”) is hiring and that paid job training is available. The advertisements fail to disclose, however, that the Defendants are not connected with the USPS, and that postal jobs are not available through them.

21. The advertisements placed by Defendants specify wages, e.g., \$29.16/hour, and have indicia of official USPS postings, such as a prominent star positioned at the top of some of the advertisements. The advertisements invite readers to call Defendants for more information. The advertisements lead consumers to believe that the Defendants are now hiring for postal jobs and that they are connected with or endorsed by the USPS. The following are illustrative of the advertisements placed by the Defendants:

The Postal Service Is Now Hiring
Train for jobs as: Clerks, Carriers, Machine Operators
No Strikes ~ No Layoffs ~ Start as High As: \$28.13 / HR ~ No Exp ~ No High School
Green Card OK ~ Paid Training When Hired

ANNOUNCING The Postal Service Is Now Hiring
Train now for jobs as: Postal Clerks / Carriers / Sorting Machine Operators
A permanent career with secure lifetime employment ~ Start as high as \$29.16 per Hr.
No Experience Necessary ~ No High School ~ Green Card OK
Fully paid training when hired.

TRABAJE en el USPS (US Postal Service) de su área

Reciba entrenamiento como oficinista, portador, maquinista...y mucho más!
Mínimo para empezar: \$15.43 hora

(See attached Exhibit 1-A, 1-B and 1-C).

22. When consumers contact the Defendants, they are instructed to appear at the premises of **FCI** or **FCI-SF** for an interview. Consumers who appear at **FCI** for an interview will meet with Defendant **DONALD ROBERT GILLETTE**. Consumers who appear at **FCI-SF** for an interview will meet with a sales representative. Sales representatives receive a commission for every consumer who registers for the Defendants' program.

23. Defendant **DONALD ROBERT GILLETTE** or the sales representative will introduce themselves as being there to assist the consumer in obtaining a position with the USPS. Defendant **DONALD ROBERT GILLETTE** and the sales representatives tell consumers that Defendant **FCI** and/or Defendant **FCI-SF** are licensed by the US Government to train people for positions in the USPS.

24. Defendant **DONALD ROBERT GILLETTE** or the sales representatives then question consumers about their age, education, citizenship, finances, medical condition, physical fitness, ability to pass a drug screen and criminal background check and then tell consumers that they are "qualified." Once "qualified," Defendant **DONALD ROBERT GILLETTE** or the sales representatives tell consumers that positions such as sorters, clerks and mail carriers are available in the consumers' geographic area. Defendant **DONALD ROBERT GILLETTE** or the sales representatives assure consumers that once employed with the USPS, consumers will receive full pay and federal benefits even during the training period.

25. Next, Defendant **DONALD ROBERT GILLETTE** or the sales representatives explain

that consumers must take and pass a postal employment examination before they can be hired by the USPS. The Defendants stress the importance of preparing for the postal examination in order to obtain a high score. Defendants tell consumers that a high score on the postal examination assures the consumer a postal job.

26. Defendant **DONALD ROBERT GILLETTE** or the sales representatives tell consumers that they will assist the consumers in achieving the desired high score by providing them with postal examination training which will result in the consumer getting hired “sooner” by the USPS. The Defendants, through the use of verbal misrepresentations, fraudulently induce consumers into enrolling for their sham training.

27. Defendants tell consumers that there is no application or test fee for the USPS examination. However, Defendants do charge fees for alleged tuition and study materials which are provided by Defendants to the consumers. The consumers are provided with a postal examination preparation book which is available to the general public at local bookstores.

28. Consumers are told by Defendants that their postal examination training course costs \$1,995.00, but that an initial “hiring rebate” in the amount of \$700.00 is given to the consumers up front. The Defendants tell consumers that in order to earn this \$700.00 rebate, consumers must complete their training program, must pay the tuition balance of \$1,295.00 in full and must obtain a permanent position with the USPS. If consumers do not comply with any of these requirements, they are immediately billed the amount of \$700.00.

29. After the Defendants induce consumers to sign an Enrollment Agreement, consumers are scheduled by Defendants to commence “classes,” typically the day after the agreement is signed. A sample

of the Enrollment Agreement is attached hereto as Exhibit 2.

30. According to affidavits received by Plaintiff, once consumers start attending these classes, they discover that the training provided by the Defendants is a sham, that the Defendants are not connected with the USPS and that they will not obtain a permanent position with the USPS through this bogus training program. Realizing that they are being defrauded, consumers then attempt to withdraw from the program and request a refund, at which time the Defendants refuse to reimburse consumers and proceed to collect the \$700.00 “rebate” fee because of the failure of the consumers to complete the training program.

31. The Defendants include a cancellation policy in their Enrollment Agreement which states that consumers may only cancel via certified letter which must be mailed to Defendants. Upon cancellation, the Defendants charge consumers for the initial registration fee of \$395.00, the textbook fee of \$20.00 and for the classes allegedly scheduled in advance for the consumer.

32. Because the Defendants typically schedule consumers to commence classes the day after signing the Enrollment Agreement and because the Defendants demand that all cancellations be sent to them via certified mail, consumers are always charged for such classes. Consumers who wish to cancel immediately after signing the enrollment agreement are told that they must still mail Defendants a cancellation letter via certified mail and are then charged for the classes that have been allegedly scheduled for the consumer. In reality, the Defendants have ongoing open “classes” scheduled Monday through Friday which the consumers can simply walk into and join others already in the classroom. This cancellation policy is used by the Defendants as another means of unlawfully charging the consumers.

33. Consumers who complain to the Defendants or to various consumer protection agencies about the fraudulent practices of the Defendants are subjected to defamatory response letters from

Defendants. These letters threaten consumers with taking retaliatory actions such as lawsuits. Upon information and belief, these letters are mostly authored by Defendant **DONALD ROBERT GILLETTE**.

34. Consumers who drop out of the program or refuse to pay Defendants because of the aforementioned reasons are referred to the Defendants' preferred collection attorney in Coral Gables. Upon information and belief, the Defendants have referred hundreds of such cases to the collection attorney, who sends collection letters and files lawsuits against the consumers for breach of contract in order to ensure payment to the Defendants. Such collection activities proceed regardless of the protestations of consumers, who typically notify the collection lawyer in writing that the Defendants have defrauded them.

COUNT I

DECEPTIVE AND UNFAIR TRADE PRACTICES CHAPTER 501, PART II FLORIDA STATUTES

35. Plaintiff adopts, incorporates herein and realleges paragraphs 1 through 34 as if fully set forth below.

36. Chapter 501.204(1), Florida Statutes, provides that "unconscionable acts or practices, and unfair or deceptive trade practices in the conduct of any trade or commerce are hereby declared unlawful."

37. Commencing on a date unknown, but at least subsequent to October of 2002, the Defendants engaged in various willful deceptive and unfair trade practices. Said practices described in paragraphs 19 through 34 inclusive were and are false, misleading, deceptive, unfair and unconscionable, and constitute violations of the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II

(2001).

38. The Defendants represent, expressly or by implication, that they are connected with or endorsed by the United States Postal Service. In truth and in fact, Defendants are not connected with or endorsed by the United States Postal Service. Therefore, such representations made to consumers are false and misleading and constitute deceptive acts and practices in violation of Chapter 501.204(1), Florida Statutes.

39. The Defendants represent, expressly or by implication, that postal positions are currently available in the geographic areas where Defendants' advertisements appear. In truth and in fact, in many instances, postal positions are not currently available in the geographic areas where Defendants' advertisements appear. Therefore, such representations made to consumers are false and misleading and constitute deceptive acts and practices in violation of Chapter 501.204(1), Florida Statutes.

40. The Defendants represent, expressly or by implication, that they will train and/or assist consumers in obtaining employment with the United States Postal Service. In truth and in fact, Defendants do not train and/or assist consumers in obtaining employment with the United States Postal Service. Therefore, such representations made to consumers are false and misleading and constitute deceptive acts and practices in violation of Chapter 501.204(1), Florida Statutes.

41. The Defendants represent, expressly or by implication, that consumers who get a "high score" on the postal examination are assured employment with the United States Postal Service. In truth and in fact, consumers who obtain a "high score" on the postal examination are not assured employment with the United States Postal Service. Therefore, such representations made to consumers are false and misleading and constitute deceptive acts and practices in violation of Chapter 501.204(1), Florida Statutes.

42. The Defendants, through verbal misrepresentations, knowingly mislead consumers into entering into an Enrollment Agreement under false pretenses, where the consumers are coerced into paying for purported tuition, study materials and training. However, the Defendants provide no legitimate training. The representations made to consumers in order to induce them to sign the agreement are false and misleading and constitute deceptive acts and practices in violation of Chapter 501.204(1), Florida Statutes.

43. These acts and practices of the Defendants were and are to the injury and prejudice of the public and constitute unconscionable acts or practices and unfair and deceptive trade practices within the intent and meaning of the Federal Trade Commission Act¹ and pursuant to the standards of unfairness and deception set forth and interpreted by the Federal Trade Commission and federal courts.

COUNT II

MISLEADING ADVERTISING VIOLATIONS OF SECTION 817.41

44. Plaintiff adopts and realleges Paragraphs 19 through 43 as set forth above.

45. Defendants' advertisements as described in Paragraphs 19 through 21 were and are misleading.

46. Defendants knew, or through the exercise of reasonable care or investigation, could or might have ascertained, that said advertisements were misleading.

47. Defendants disseminated said advertisements with the intent or purpose, either directly or indirectly, of selling products or services to induce the public to enter into obligations relating to those

¹As stated in Fla. Stat. Chap. 501.204(2): "It is the intent of the Legislature that, in construing subsection (1), due consideration and great weight shall be given to the interpretations of the Federal Trade Commission and the federal courts relating to s. 5(a)(1) of the Federal Trade Commission Act, 15 U.S.C. s. 45(a)(1) as of July 1, 2001."

products or services.

48. In disseminating misleading advertising as described in Paragraphs 19 through 21, the Defendants have violated Section 817.41, Florida Statutes. Violations of that statute also constitute per se violations of the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II (2001), pursuant to Section 501.203(3), Florida Statutes, wherein a violation of the Florida Deceptive and Unfair Trade Practices Act “may be based upon(c) Any law, statute, rule, regulation, or ordinance which proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices.”

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests the Court, as authorized by the provisions of Fla. Stat. Chaps. 501.207 and 817.41, and pursuant to its own equitable powers:

(1) Enter an Order pursuant to Fla. Stat. Chap. 501.207 permanently enjoining the Defendants, their agents, employees, attorneys, or any other persons who act under, by, through, in concert with or on behalf of the Defendants, from operating or participating in any type of school or service related to the USPS or postal examination training business in or from the State of Florida;

(2) Enter an Order prohibiting Defendants from misrepresenting the nature of an employment opportunity, including but not limited to placing advertisements in newspapers that state or imply that positions are available with the United States Postal Service or any other government agency;

(3) Enter an Order pursuant to Fla. Stat. Chap. 501.207 permanently enjoining Defendants, their agents, employees, attorneys, or any other persons who act under, by, through, in concert with or on behalf of the Defendants from disposing of, transferring, relocating, dissipating or otherwise altering the status of their assets, bank accounts, and property (real, personal, and intangible), or divesting themselves of any

interest in any enterprise, including real estate, without prior Court approval;

(4) Enter an Order pursuant to Fla. Stat. Chap. 501.207 enjoining Defendants, their agents, employees, attorneys, or any other persons who act under, by, through, in concert with or on behalf of the Defendants from engaging in the collection of monies allegedly owed to Defendants by consumers induced into enrolling in the Defendants' program.

(5) Enter an Order awarding actual damages to all consumers, known and unknown, who are shown to have been injured in this action, pursuant to Fla. Stat. Chap. 501.207;

(6) Assess against the Defendants herein civil penalties, pursuant to Fla. Stat. Chap. 501.2075, in the amount of Ten Thousand Dollars (\$10,000.00) for each act or practice found to be in violation of Chapter 501, Part II, Florida Statutes, or Fifteen Thousand Dollars (\$15,000.00) for each act or practice committed against a senior citizen in violation of Chapter 501, Part II, Florida Statutes;

(7) Enter an Order pursuant to Fla. Stat. Chap. 501.207 permanently enjoining the Defendants, their agents, employees, attorneys, or any other persons who act under, by, through, in concert with or on behalf of the Defendants from violating the FDUTPA;

(8) Enter an Order prohibiting Defendants from violating the provisions of Section 817.41, Florida Statutes (2000);

(9) Enter an Order dissolving Federal Careers Institute Inc. and Federal Careers Institute of South Florida Inc. as Florida corporations;

(10) Waive the posting of bond by Plaintiff in this action pursuant to Fla. Stat. Chap. 60.08 and Fla.R.Civ.P. 1.610(b);

(11) Award reasonable attorney's fees and costs to Plaintiff herein, pursuant to Fla. Stat. Chap.

501.2105;

(12) Grant, pursuant to Fla. Stat. Chap. 501.207, temporary relief and such other and further legal and equitable relief as this Court deems just and proper to redress injury to consumers resulting from Defendants' violations of the FDUTPA, including, but not limited to, rescission of contracts and disgorgement of ill-gotten gains by the Defendants.

Respectfully Submitted,

CHARLES J. CRIST, JR.
ATTORNEY GENERAL

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