

May 19, 2008

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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. **08-21433-CIV-JORDAN/MCALILEY**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

ALTERNATEL, INC.; G.F.G. ENTERPRISES
LLC, also d/b/a MYSTIC PREPAID; VOICE
PREPAID, INC.; TELECOM EXPRESS, INC.;
VOICE DISTRIBUTORS, INC.; LUCAS
FRIEDLANDER; MOSES GREENFIELD;
NICKOLAS GULAKOS; and FRANK
WENDORFF,

Defendants.

**COMPLAINT FOR PERMANENT INJUNCTION
AND OTHER EQUITABLE RELIEF**

Plaintiff, the Federal Trade Commission (“FTC”), for its complaint against defendants Alternatel, Inc., G.F.G. Enterprises LLC, also d/b/a Mystic Prepaid, Voice Prepaid, Inc., Telecom Express, Inc., Voice Distributors, Inc., Lucas Friedlander, Moses Greenfield, Nickolas Gulakos, and Frank Wendorff (collectively “Defendants”) alleges:

INTRODUCTION

1. This case concerns Defendants’ deceptive marketing of prepaid telephone calling cards in violation of the Federal Trade Commission Act, 15 U.S.C. § 41, *et seq.* (“FTC Act”). As explained below, Defendants have deceived and continue to deceive consumers, many of whom are recent immigrants, by: (1) misrepresenting the number of calling minutes consumers

can obtain using Defendants' prepaid calling cards, and (2) failing to disclose or disclose adequately fees that have the effect of reducing the number of calling minutes available to consumers using Defendants' prepaid calling cards.

2. The FTC brings this action under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), to obtain temporary, preliminary, and permanent injunctive relief against Defendants to prevent them from engaging in unfair and deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and to obtain other equitable relief, including rescission, restitution, and disgorgement, as is necessary to redress injury to consumers and the public interest resulting from Defendants' violations of the FTC Act.

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction over this matter pursuant to 15 U.S.C. §§ 45(a) and 53(b), and 28 U.S.C. §§ 1331, 1337(a) and 1345.

4. Venue in the United States District Court for the Southern District of Florida is proper pursuant to 15 U.S.C. § 53(b), and 28 U.S.C. §§ 1391(b) and (c).

PLAINTIFF

5. Plaintiff, the FTC, is an independent agency of the United States Government created by the FTC Act, 15 U.S.C. § 41, *et seq.* The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such other equitable relief as may be appropriate in each case, including redress and disgorgement. 15 U.S.C. § 53(b).

DEFENDANTS

6. Defendant Alternatel, Inc. (“Alternatel”) is a Florida corporation located at 8200 Pines Boulevard, Pembroke Pines, Florida 33024. Alternatel creates, promotes, and sells prepaid calling cards. Alternatel transacts or has transacted business in this District.

7. Defendant G.F.G. Enterprises LLC, also d/b/a Mystic Prepaid (“Mystic Prepaid”), is a New Jersey limited liability company located at 720 Monroe Street, Unit C-508, Hoboken, New Jersey 07030. Mystic Prepaid creates, promotes, and sells prepaid calling cards. Mystic Prepaid transacts or has transacted business in this District.

8. Defendants Voice Prepaid, Inc., Telecom Express, Inc. and Voice Distributors, Inc. (collectively “Voice Prepaid”) are Massachusetts corporations located at 151 Mystic Avenue, Medford, Massachusetts 02155. Voice Prepaid creates, promotes, and sells prepaid calling cards. Voice Prepaid transacts or has transacted business in this District.

9. Defendant Lucas Friedlander (“Friedlander”) is an owner, a Member/Manager, and the Chief Operating Officer of Mystic Prepaid. He serves as Controller of Voice Prepaid. Individually or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of Alternatel, Mystic Prepaid, and Voice Prepaid, including the acts and practices alleged in this complaint. Friedlander transacts or has transacted business in this District.

