



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Data Broker Defendants Settle FTC Charges They Sold Sensitive Personal Information to Scammers

Court Also Enters \$4.1M Default Judgment Against Additional Defendant

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FOR RELEASE
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A group of defendants have settled Federal Trade Commission charges that they knowingly provided scammers with hundreds of thousands of consumers' sensitive personal information – including Social Security and bank account numbers.

The proposed federal court orders prohibit [John Ayers](#), [LeapLab](#) and [Leads Company](#) from selling or transferring sensitive personal information about consumers to third parties. The defendants will also be prohibited from misleading consumers about the terms of a loan offer or the likelihood of getting a loan. In addition, the settlements require the defendants to destroy any consumer data in their possession within 30 days.

The orders include a \$5.7 million monetary judgment, which is suspended based on the defendants sworn inability to pay. In addition to the settlement orders, the court entered an unsuspended \$4.1 million [default judgment with similar prohibitions against SiteSearch](#), the remaining defendant in the case.

"LeapLab purchased sensitive information, including Social Security and bank account numbers, from pay-day-loan websites, and then sold that information to entities it knew had no legitimate need for it," said Jessica Rich, Director of the FTC's Bureau of Consumer Protection. "That allowed scammers to steal millions of dollars from people's accounts."

In its [complaint](#), the FTC alleged that the defendants collected hundreds of thousands of loan applications submitted by financially strapped consumers to payday loan sites. Each application contained the consumer's name, address, phone number, employer, Social Security number, and bank account number, including the bank routing number.

The defendants sold 95 percent of these sensitive applications for approximately \$0.50 each to non-lenders that did not use the information to assist consumers in obtaining a payday loan or other extension of credit and had no legitimate need for this financial information. In fact, at least one of those marketers, [Ideal Financial Solutions](#) – a defendant in another FTC case – used the information to withdraw millions of dollars from consumers' accounts without their authorization.

The Commission vote approving the stipulated final order was 4-0. The FTC filed the proposed order in the U.S. District Court for the District of Arizona.

NOTE: Stipulated final orders have the force of law when approved and signed by the District Court judge.

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#) and [subscribe to press releases](#) for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

[FTC Charges Data Broker with Facilitating the Theft of Millions of Dollars from Consumers' Accounts](#)

[FTC Action Halts Operation That Billed More Than \\$25 Million to Consumers' Bank and Credit Card Accounts without Their Consent](#)

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