ILLINOIS ATTORNEY GENERAL LISA MADIGAN



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MADIGAN SETTLES WITH ALLEGED PHONE BILL CRAMMER CONSUMERS CAN APPLY FOR REFUNDS

Chicago — Attorney General Lisa Madigan today announced that her office has settled a lawsuit against a California corporation and its owner and CEO over allegations that, in offering Internet yellow pages listings, they bilked small businesses in Illinois and across the country through a practice known as "cramming." Cramming involves adding charges to a consumer's telephone bill that the consumer never wanted nor ordered.

Under the consent judgment, small businesses which incurred unauthorized charges from GlobalYP.net on their local phone bill will have until January 16, 2007, to file complaints with the Attorney General's Consumer Fraud Bureau to be considered for refunds from the defendants.

To file a complaint, consumers can download a consumer complaint form from the Attorney General's website at www.illinoisattorneygeneral.gov or can call the Attorney General's Consumer Fraud Hotline at 1-800-243-0618 (TTY 1-877-844-5461).

Madigan's suit alleged that the defendants, Inc21.com Corporation, d/b/a GlobalYP.net and Roy Lin, individually and as President and CEO, placed telemarketing solicitations to small businesses, offering a free trial of their services, without any obligation. However, in reality, if small businesses accepted the free trial and failed to cancel within 15 days, the defendants placed monthly charges of \$34.99 on the local phone bill. The charges appear under the "Miscellaneous Charges and Credits" section of a consumer's phone bill and are commonly listed as "Inc 21 Comm Gold Business Plan" or "Global YP Gold Business Plan." Small business consumers have reported charges on their local phone bill despite having flatly refused to receive any service or information from the defendants. In some instances, consumers have denied knowledge of any solicitations by defendants' telemarketers. All consumers who complained to the Attorney General's Office did not authorize the defendants' services or agree to pay for these services.

As part of the consent judgment, the defendants agree to not bill any consumer without the consumer's express authorization, to clearly and conspicuously disclose all terms and conditions of the offer, and to obtain and record verification of all purported requests by consumers for goods or services. In addition, the defendants have agreed to pay \$10,000 to the State that will be used for enforcement of the consumer protection laws.

Assistant Attorney General Philip Heimlich handled the case for Madigan's Consumer Fraud Bureau.

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