

Press Releases

September 2, 2010

ATTORNEY GENERAL MADIGAN SUES COMPANY FOR FAKE CHARGES ON ILLINOIS PHONE BILLS

Springfield — Attorney General Lisa Madigan today filed a lawsuit in Sangamon County Circuit Court alleging that a Web-based California business signed up and charged thousands of Illinois consumers for identity protection assistance even though the consumers never asked to purchase such a service.

The lawsuit alleges that ID Lifeguards, Inc., and its owner, Arthur Natanyan of Burbank, California, deceived consumers into unknowingly purchasing the identity protection when they responded to a sales offer for other products or services on a third-party Web site. According to the complaint, between September 2009 and March 2010, the defendants charged \$157,562 for unauthorized services on the phone bills of 5,071 Illinois consumers.

"The defendants in this case claim to be in the business of identity protection, but in fact they're in the business of scamming people out of their hard-earned money," Madigan said.

The Attorney General's lawsuit alleges that ID Lifeguards, in addition to maintaining its own Web site, marketed its identity protection services on several Web sites belonging to other companies and offering products and services unrelated to identity protection, such as discount coupons and online contests. Consumers responding to offers on these third-party Web sites were automatically directed to a sign-up page owned by the defendants and prompted to provide personal information. By completing the sign-up page, consumers were unknowingly signed up for ID Lifeguards' purported services and billed \$12.95 a month for those services, with the charges appearing in the miscellaneous section on their phone bills.

Additionally, ID Lifeguards' Web site claims the company provides consumers with free copies of their credit reports, yet none of the consumers who spoke with Madigan's office had received copies of their reports from the defendants.

"Unfortunately, it is fairly easy for companies to add charges to your telephone bill that have nothing to do with your phone service," Madigan said. "Consumers should be aware of this and carefully check their phone bills each month for any additional charges."

To further reduce the risk of becoming the victim of a scam artist, Madigan advised consumers to call their local phone company and request that third-party billings be blocked from their phone bill.

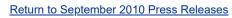
In the suit, Attorney General Madigan is asking the court to prohibit the defendants from engaging in the business of offering identity protection services in Illinois. She also seeks to have the defendants pay restitution to consumers, a civil penalty of \$50,000 per defendant, and additional penalties of \$50,000 for each act committed with the intent to defraud.

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

Consumers who believe they may be a victim of ID Lifeguards, Inc., or any other consumer fraud can download a complaint form at www.lllinoisAttorneyGeneral.gov/consumers or call the Attorney General's Consumer Fraud Hotline at one of the following numbers:

Chicago 1-800-386-5438 Springfield 1-800-243-0618 Carbondale 1-800-243-0607

Spanish-language Hotline: 1-866-310-8398





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