



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

Payment Processing CEO Banned from the Business; Company Illegally Debited Millions from Consumers Bank Accounts

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The chief executive officer of a payment processing company will be banned from the business as part of a settlement resolving Federal Trade Commission charges that the company illegally debited millions of dollars in bogus charges from consumers' bank accounts.

In 2007, the FTC charged the executive, Tarzene Dixon, her company, and others with processing unauthorized debits on behalf of deceptive telemarketers and Internet-based schemes they knew, or deliberately avoided knowing, were violating the FTC's Telemarketing Sales Rule. In addition, the attorneys general of Illinois, Iowa, Nevada, North Carolina, North Dakota, Ohio, and Vermont charged the defendants with violating various state laws.

According to the FTC complaint, the company played a critical role in helping many of its clients carry out these illegal schemes by providing access to the banking system and the means to extract money from consumers' bank accounts. Between June 23, 2004, and March 31, 2006, the defendants processed more than \$200 million in debits and attempted debits. More than \$69 million of the attempted debits were returned or rejected by consumers or their banks for various reasons, an indication that in many cases consumers had never authorized the charges. In many instances, the merchants either failed to deliver the promised products or services or sent consumers relatively worthless items.

The settling defendant is Tarzenea Dixon. Her co-defendants are Your Money Access, LLC d/b/a Netchex Corp., Universal Payment Solutions, Check Recovery Systems, Nterglobal Payment Solutions, and Subscription Services, Ltd.; YMA Company, LLC; and Derrelle Janey. In addition to permanently banning Dixon from any payment processing, the settlement order bans her from substantially aiding any marketer when she knows, or consciously avoids knowing, that it is violating the Telemarketing Sales Rule. The order imposes a \$22 million judgment that is stayed based on her inability to pay. The full judgment will become due immediately if she is found to have misrepresented her financial condition.

The Commission vote approving the consent in settlement of the court action against Dixon was 4-0. The FTC filed the documents in the U.S. District Court for the Eastern District of Pennsylvania on December 22, 2009, and court entered the order on January 11, 2010.

Litigation against Janey continues. On October 28, 2008, the court entered a default judgment against the corporate defendants, Your Money Access, LLC and YMA Company, LLC, barring them from payment processing for any client whose business practices are deceptive, unfair, or abusive within the meaning of the FTC Act, the Telemarketing Sales Rule, and the state consumer protection laws. The case was part of the FTC's "Operation Tele-PHONEY" telemarketing fraud law enforcement sweep announced in May 2008.

Wachovia Bank Redress Program

In December 2008, the FTC announced a settlement between the Office of the Comptroller of the Currency and Wachovia Bank, N.A. to issue more than \$150 million in redress checks to victims of telemarketing fraud. The checks reimbursed consumers for funds deducted from their accounts by three payment processors that maintained accounts with Wachovia, including Your Money Access.

NOTE: Stipulated final judgments and orders are for settlement purposes only and do not constitute an admission by the defendants of a law violation. Consent judgments have the force of law when signed by the judge.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online [Complaint Assistant](#) or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to

more than 1,800 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's Web site provides free information on a variety of [consumer topics](#).

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(YMA Dixon)

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