

January 6, 2005

ATTORNEY GENERAL FILES SUIT IN GOVERNMENT GRANTS SCAM

BISMARCK – Attorney General Wayne Stenehjem has filed a lawsuit in Burleigh County District Court against a St. Petersburg, Florida operation known as Consumer Grants USA, Inc., and its officers and directors. Stenehjem is seeking reimbursement for any North Dakota consumers victimized by the company, penalties for fraudulent solicitations and violations of the Do Not Call laws and penalties for violation of a Cease and Desist Order he issued in May 2004. The business, which operates under many different names including Government Grant Information Service and Ultimate Funding Plus, Inc., had been soliciting North Dakota consumers promising consumers who pay \$239 will receive grants of \$8,000 to \$25,000.

The Consumer Protection division gathered information and complaints involving more than thirty violations of North Dakota law. In one instance, the business had a consumer's bank account number and deducted payment from the account without the consumer's consent, even though the consumer had refused to buy anything. The company continued calling North Dakota consumers despite a Cease and Desist Order effectively that prohibited it from doing business in the State.

"My office has seen a significant increase in these bogus government grant operations. We will continue to work to protect the citizens of North Dakota from those who would prey upon them," Stenehjem said. "Anyone who receives a call from someone offering 'free' money, should not agree to pay any 'processing fee' or 'taxes' and should not under any circumstances provide bank account or other personal information," cautioned Stenehjem.

Consumers who are solicited by this business, or by other services offering government grants, should contact the Attorney General's Consumer Protection Division toll-free at 1-800-472-2600.