



FTC Action: Abusive Debt Collectors Banned from Collection Business

FOR RELEASE

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Two debt collectors and three companies charged with using false threats and other illegal collection tactics are banned from the debt collection business under a settlement with the Federal Trade Commission, which charged them as part of [Operation Collection Protection](#), an ongoing federal-state-local crackdown on collectors that use deceptive and abusive collection practices.

In October 2015, the [FTC charged the BAM Financial](#) defendants with extracting payments from consumers through intimidation, lies and other unlawful debt collection tactics. The court subsequently halted the operation and froze the defendants' assets pending litigation.

The defendants have now agreed to a [stipulated final order](#) that bans them from debt collection activities and prohibits them from misrepresenting material facts about financial-related products and services. The order also bars them from profiting from consumers' personal information and failing to dispose of it properly. The order imposes a \$4,802,646 judgment that will be partially suspended upon the surrender of certain assets and requires payment of \$59,207 by Luis O. Carrera and \$50,562 by Roberto Llaury. The full judgment will become due immediately if the defendants are found to have misrepresented their financial condition.

The corporate defendants are BAM Financial LLC, also doing business as West and Associates, Chelsea & Associates, and Chelsea Financial; Everton Financial LLC, also d/b/a West and Associates; and Legal Financial Consulting LLC, also d/b/a West and Associates Services.

The Commission vote approving the filing of the proposed stipulated final order was 3-0. The order was entered by the U.S. District Court for the Central District of California on July 11, 2016.

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

To learn more, read [Facing Debt Collection? Know Your Rights](#) and [Fake Debt Collectors](#), and see the [list of companies and individuals banned from the debt collection business](#) as a result of FTC actions.

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.

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