

[Affidavit 3-1-05]

**AFFIDAVIT OF INVESTIGATOR
BARBARA A. BLAKE**

Polk County)
) **ss:**
State of Iowa)

I, Barbara A. Blake, being duly sworn on oath, state as follows:

1. I am an investigator in the Consumer Protection Division of the Office of the Iowa Attorney General, and I have served in that capacity since 1990. Telemarketing fraud and deceptive prize mailings have been areas of major concentration during my tenure as a Consumer Protection Investigator, and I have received training relating to these subject areas from state and federal law enforcement agencies on numerous occasions.

2. In the last few years, most of the worst telemarketing fraud has been directed to U.S. residents from other countries, particularly Canada. These schemes have included prize-related frauds and advance-fee credit scams. In the typical prize-related telemarketing fraud, victims are deceived into believing they won large cash prizes to induce them to wire large sums of money to get the prize released to them. In the typical advance-fee credit telemarketing scheme, people with poor credit are told they can obtain a credit card or loan for an advance fee; such an advance fee is barred by state and federal law,¹ and in any event the promised credit card or loan is never provided after the illegal fee is paid.

3. There are major challenges involved in trying to obtain refunds, injunctive relief, or other remedies against telemarketing fraud boilerrooms outside U.S. borders. However, fraudulent telemarketers in other countries often rely upon the cooperation or active

¹ Iowa Code §§ 535C.2A & 714.16(2)(f), and 16 CFR Part 310.