



ATTORNEY GENERAL OF TEXAS  
GREG ABBOTT

FOR IMMEDIATE RELEASE  
Thursday, July 20, 2006  
[www.oag.state.tx.us](http://www.oag.state.tx.us)  
[Subscribe to E-News](#)

CONTACT:  
Angela Hale, Paco Felici,  
Jerry Strickland, or Tom Kelley  
at (512) 463-2050

## ATTORNEY GENERAL ABBOTT GETS COURT ORDER BRINGING AN END TO 'DEBT ELIMINATION' SCAM

### Bankopp.com agrees to halt phony bank offers to clear debt of hurricane victims, others

AUSTIN - Texas Attorney General Greg Abbott has closed a case against a fraudulent "debt elimination" operation which unsuccessfully tried to exploit and defraud victims of last year's hurricanes.

Bankopp.com and its owner David Jason West promoted a Web-based scheme through seminars in various states in which hurricane victims and others were fraudulently promised the complete elimination of debt in exchange for a \$5,000 up-front deposit. The deposit, they said, would initiate the process with an unidentified "bank" that would allow consumers to become debt-free by December.

<b>Media Links</b>
--------------------

<a href="#">Agreed final judgment and permanent injunction against Bankopp.com</a>
--

Last October, the Attorney General obtained a temporary restraining order that halted the debut of a seminar in Austin and prevented individuals in Texas from becoming victims to the scam. The judgment announced today requires payment of penalties and seals a permanent injunction against the company.

"We prevailed in stopping this fraud targeting hurricane victims and others in debt who had access to legitimate financial assistance at the time," said Attorney General Abbott. "These operators were simply out to cash in on misery and vulnerability, and we took the right action to make sure that did not happen."

Bankopp.com operator West is named in the state's agreed final judgment and permanent injunction today. The order forbids any advertising for "debt elimination" that does not clearly disclose the name of the bank involved and the degree to which that bank has agreed to lend money to consumers and then later forgive the debt. West offered no evidence during this case that such a bank existed.

The company has agreed to pay civil penalties and attorneys' fees totaling \$350,000, and any funds frozen in the company's bank accounts as a result of the original court action will be returned to unwary consumers who wired funds to participate in the "opportunity."

Under the corporate name Pydia, Inc., Bankopp.com promised the elimination of consumer debt with the help of an unidentified national "bank" specializing in "debt forgiveness." The defendants claimed the scheme was possible because the "bank" would profit from the venture through "fractional banking" practices.

However, to become enrolled, consumers would be required to wire a one-time \$5,000 fee to an account in the name of "Del Sur International Holdings," which the Attorney General's investigators traced to Panama.

Consumers were told that the \$5,000 was not an advance fee for a loan, but rather a deposit to ensure them a place in line to take advantage of the opportunity. The company assured consumers that the money would not be used until the bank had loaned consumers money to pay off their debts. The bank would then use the deposit to defray the costs of the entire process of eliminating debt. Once the cumulative debt of applicants reached \$100 million, then the bank would begin making loans to pay off individual debts. Once a consumer paid off his debt, the "loan" would be forgiven.

The defendants supposedly cooked up the plan last September, using various media to publicize a toll-free number to the "Bank Opportunity Information Line" and urging consumers to call the number and attend the free "open" seminars.