

**FEDERAL TRADE
COMMISSION**

2022 FTC Annual Report on Refunds to Consumers

Office of Claims and Refunds, Bureau of Consumer Protection

FTC Refunds to Consumers

The goal of FTC law enforcement actions is to stop illegal practices, and when possible, get refunds to people who lost money.

Once an FTC lawsuit or settlement is final and the defendants have paid the money ordered by the court, the FTC’s Office of Claims and Refunds develops a plan for returning that money to the right people. If there is money left over at the conclusion of the refund program, or if there is not enough money to provide meaningful refund amounts, then the FTC sends the money to the U.S. Treasury, where it is deposited into the General Fund, as required by court order and the law.

Data about FTC refunds are available in interactive online dashboards at www.ftc.gov/ExploreData. Users can explore refund data [by case](#) or [by year](#) to learn about **where** refunds were sent, the **dollar amounts** refunded, and the **number of people** who benefited from FTC refund programs.

FTC Refunds to Consumers Snapshot January 1, 2022 – December 31, 2022

\$392.9

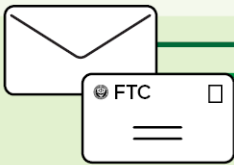
MILLION
in refunds*

\$392.9

MILLION
in refunds directly from FTC

1.9

MILLION PEOPLE
cashed FTC payments

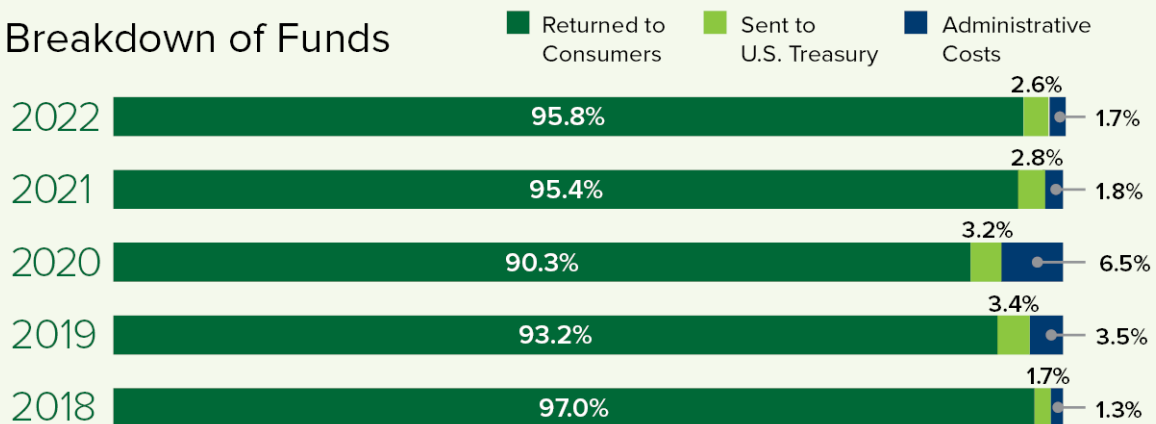


\$10.4 MILLION
sent to U.S. Treasury

\$6.9 MILLION
paid for
administrative costs

*This total includes money returned to consumers as a result of all FTC cases, including refund programs administered by defendants and other federal agencies. The amount sent to the U.S. Treasury does not include civil penalty judgments.

Breakdown of Funds



Source: Federal Trade Commission | ftc.gov/ExploreData

Consumers Nationwide Benefit from FTC Refund Programs

FTC Refunds Mailed to States in 2022¹

State	\$\$ Mailed in 2022	State	\$\$ Mailed in 2022
AK	\$950,879	NC	\$12,908,246
AL	\$8,938,997	ND	\$753,097
AR	\$4,804,382	NE	\$3,740,104
AZ	\$6,008,879	NH	\$1,193,871
CA	\$28,946,347	NJ	\$9,118,917
CO	\$8,133,201	NM	\$2,137,104
CT	\$3,536,461	NV	\$2,654,750
DC	\$890,864	NY	\$19,086,714
DE	\$1,305,982	OH	\$13,624,366
FL	\$28,250,704	OK	\$5,193,427
GA	\$9,555,199	OR	\$4,679,019
HI	\$1,213,492	PA	\$15,045,950
IA	\$6,339,064	PR	\$809,882
ID	\$1,697,046	RI	\$1,163,294
IL	\$17,045,588	SC	\$5,619,080
IN	\$11,550,302	SD	\$1,508,447
KS	\$3,582,084	TN	\$10,766,584
KY	\$5,397,686	TX	\$41,418,120
LA	\$7,573,378	UT	\$1,788,382
MA	\$5,069,398	VA	\$5,428,819
MD	\$7,420,821	VI	\$1,833
ME	\$1,114,826	VT	\$488,853
MI	\$9,196,327	WA	\$10,500,912
MN	\$6,126,150	WI	\$7,597,097
MO	\$8,648,264	WV	\$963,926
MS	\$5,147,804	WY	\$853,294
MT	\$1,568,766	Military Bases	\$114,493
Electronic & International Payments		\$59,920,474	
Total Sent		\$439,091,946	

¹ The FTC publishes additional state level refund data on our [interactive online dashboards](#).

How the FTC Provides Refunds

Success in getting refunds to people depends principally on whether the FTC has a reliable list of customers, including their contact information and the amount of money they spent. In most of our cases, the FTC has this information, and it mails checks out to a list of known customers. In other cases, there is no list of known customers or there is insufficient contact information, and the agency must use a claims process to identify people who are eligible for a refund. There are at least six steps involved in every refund program:

1. Identify who is eligible for a refund.
2. Determine how the money will be divided.
3. Send refunds.
4. Update names and addresses as needed to deliver payments.
5. Consider whether an additional distribution is feasible.
6. Send any remaining money to the U.S. Treasury.

Identifying who is eligible for a refund

FTC court orders typically require the company to provide a list of customers, their contact information, and how much each customer paid. If the agency obtains a reliable list of eligible recipients, then the agency mails checks or sends electronic payments directly to them. During calendar year 2022, in cases where the FTC used company data to send checks or electronic payments, 66.6% of eligible consumers have cashed their payment so far. Checks are still cashing in most of these cases. The FTC expects the average participation rate to exceed 70% once all distribution activity is complete. In fact, the FTC completed first distribution activities for 28 cases in 2022, and the average participation rate for these cases was 75.5%. The cases have either been closed or moved into a second distribution.

If the agency doesn't have all the data it needs to send payments to eligible consumers, a claims process may be necessary. In such cases, the people affected must apply for a refund. The agency might conduct a media campaign and use paid advertisements to let people know that refund money is available and encourage them to visit our website to apply. A claims process typically increases the administrative costs of the refund program. Generally, the FTC receives claims from 5% to 20% of potential claimants. In 2022, the FTC mailed checks and sent electronic payments in one new case with a claims process. In that case, 93% of payments were successful.

The agency's Consumer Sentinel Network database may be used to find eligible recipients, either as a supplement to data from other sources, or occasionally, as the only source of data. Consumer Sentinel data contains millions of complaints from people who have contacted the FTC, the Better Business Bureau, or other federal, state, and local law enforcement offices. The FTC may search for complaints related to the defendants and use the contact information in those complaints to create a list of potential refund recipients.

Determining how the money will be divided

In cases where the court order does not specify the parameters of the refund program, FTC staff determines eligibility criteria and the formula for calculating payments to eligible recipients. In cases where the settlement fund is not large enough to provide full refunds to every customer, the FTC analyzes the data to determine how much individuals will receive. When making these decisions, FTC staff consider the administrative costs that must be paid for by the fund, the size of the refund to each recipient, how much variation there is between the lowest and highest loss amounts, and other details about the case. In most FTC cases, the money is distributed on a pro rata basis, meaning that each recipient receives an equal percentage of their total loss.

Sending refunds

The FTC has many mechanisms in place to verify the accuracy of our distributions and to confirm that only the approved recipients receive payment. First, unique identifiers are assigned to each potential claimant at the beginning of the case. FTC staff independently reviews each distribution, checks the proposed list of recipients against the master list, and investigates any discrepancies before approving a distribution. The agency also conducts payment audits to verify that only the rightful recipients received payments. In a claims process, we may ask for supporting documents or other information, and we apply analytical tools to root out false or duplicate claims.

Once payments have been sent, the FTC carefully tracks which payments make it into the hands of affected consumers, and the agency uses that information for continuous improvement of our refund processes. In 2022, the FTC sent first round payments totaling more than \$247.5 million in 22 different FTC cases.

Cases with First Distributions in 2022

Case Name	Date Mailed	\$\$ Mailed	Eligible Consumers	Consumers Who Cashed a Payment to Date	Percent of Consumers Who Cashed a Payment to Date
Avant, Inc.	Jan-22	\$3,767,399.21	17,367	15,834	91%
BASF and DIEM Labs	Feb-22	\$396,431.85	1,806	1,627	90%
Wellco	Feb-22	\$580,906.76	40,229	28,192	70%
Teami	Feb-22	\$930,207.82	20,437	10,417	51%
MOBE	Apr-22	\$23,675,711.33	37,397	25,372	68%
Vantage Point Services	May-22	\$255,399.19	5,726	2,097	37%
AdvoCare	May-22	\$149,493,636.31	224,306	200,470	89%
Lead Express/ Harvest Moon	Jun-22	\$970,786.65	26,698	10,653	40%
Yellowstone Capital	Jun-22	\$9,776,736.00	7,731	3,557	46%
Digital Income System	Jun-22	\$542,036.86	1,064	906	85%
Brookstone Law/ Damian Kutzner	Jun-22	\$164,146.35	2,155	1,113	51%
Student Debt Doctor	Jun-22	\$2,087,712.43	22,817	14,047	61%
AH Media Group	Jun-22	\$5,419,634.03	176,028	120,664	68%
Next-Gen, Inc.	Jul-22	\$24,508,317.00	225,203	103,161	46%
Kushly	Aug-22	\$20,875.49	576	250	43%
GAFS Group	Aug-22	\$1,015,455.23	1,966	856	43%
LendingClub	Aug-22	\$10,215,113.21	15,748	12,047	76%
Student Advocates Team	Aug-22	\$822,172.37	14,521	8,308	57%
Tate's Auto Center	Sep-22	\$415,592.76	3,508	1,814	52%
Vision Path, Inc/ Hubble Contacts	Sep-22	\$1,904,578.49	30,172	18,742	62%
Saint James School of Medicine	Nov-22	\$830,381.03	1,376	845	61%
Ed Napleton Auto Group	Nov-22	\$9,806,642.18	66,355	47,386	71%
Totals		\$247,599,872.55	943,186	628,358	67%

Updating names and addresses

Finding current contact information for eligible recipients is a challenge. Court cases sometimes take years to resolve, so the FTC uses several tools for updating addresses.

Before mailing checks, every distribution list is checked against the National Change of Address system, which records change-of-address notices submitted to the U.S. Post Office. When a check is returned as undeliverable or remains uncashed after its void date, the agency conducts an address search to determine if there is a more recent address for the consumer, and then reissues a new check to the updated address.

Considering whether an additional distribution is feasible

After updating addresses and reissuing payments, as necessary, the FTC considers whether the remaining money can be used to send a second round of payments. For example, recipients might get 50% of their money back with the first payment and an additional 10% of their money back with the second payment. In very rare circumstance, the agency may send a third or fourth round of payments, for example, when the agency recovers additional money from the defendants.

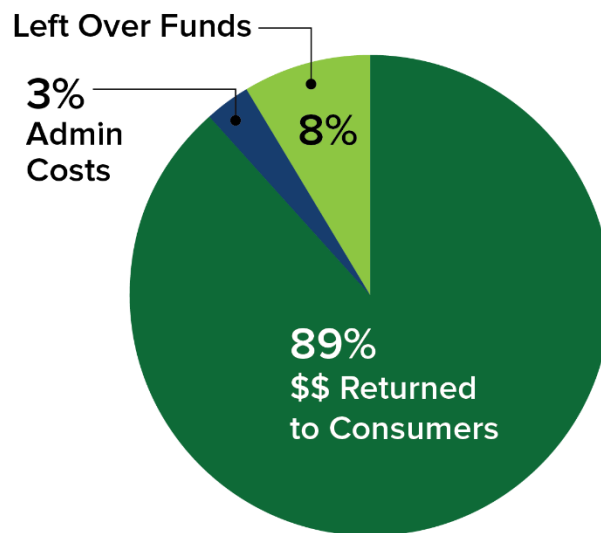
Usually, if there are sufficient funds to provide a meaningful refund amount to recipients and to pay for the related costs, the FTC sends a second round of payments. Generally, to be eligible for an additional payment, the consumer must have cashed their previous payment. In addition, the FTC sometimes imposes a minimum check amount that excludes some consumers who otherwise would have been eligible. In general, the FTC does not mail checks of less than \$10.

In 2022, the FTC sent additional payments totaling more than \$193 million dollars to consumers in 26 different FTC cases.

Cases with Additional Distributions in 2022

Case Name	Date of Most Recent Distribution	Payments Sent in Most Recent Distribution	\$\$ Sent in Most Recent Distribution	\$\$ Returned to Consumers in Previous Distributions	# of Consumers Who Have Cashed At least One Payment
Strategic Student Solutions	Jan-22	11,765	\$502,860	\$2,500,000	16,354
Standard Industries	Feb-22	2,783	\$450,219	\$11,000,000	19,885
FBA Stores	Feb-22	3,065	\$669,534	\$8,400,000	11,449
National Urological Group	Mar-22	102,938	\$2,713,975	\$12,000,000	127,146
Student Debt Relief Group	Mar-22	2,367	\$167,228	\$1,500,000	16,626
Vision Solution Marketing	Mar-22	999	\$76,404	\$1,500,000	1,070
Bronx Honda	Mar-22	3,376	\$197,199	\$1,200,000	3,380
Digital Altitude	Mar-22	7,609	\$1,178,470	\$3,450,000	7,627
Quantum Wellness/Rejuvenation	Apr-22	10,638	\$423,841	\$132,000	11,776
AMG Services	May-22	690,386	\$152,439,272	\$382,000,000	821,266
Health Formulas	Jul-22	7,872	\$375,066	\$9,200,000	164,464
LendingClub Corporation	Aug-22	61,990	\$9,701,766	\$7,900,000	12,047
Office Depot, Inc.	Aug-22	121,704	\$3,880,729	\$30,000,000	469,353
I Works, Inc.	Sep-22	60,341	\$8,246,219	\$8,400,000	95,048
Fortune Hi-Tech Marketing	Sep-22	102,178	\$1,484,338	\$3,200,000	137,677
Educare Centre Services	Sep-22	4,729	\$486,378	\$1,700,000	5,936
A.S. Research	Sep-22	9,499	\$95,937	\$636,000	10,829
Position Gurus	Sep-22	1,817	\$197,764	\$1,300,000	2,568
Vast Tech	Oct-22	5,045	\$151,786	\$6,800,000	48,153
Career Education Corp.	Nov-22	5,119	\$6,439,692	\$23,000,000	5,564
Seed Consulting	Nov-22	8099	\$147,889	\$1,800,000	8,099
ABCmouse	Nov-22	116,017	\$3,012,029	\$6,500,000	137,524
Hylan Asset Management	Nov-22	1,047	\$235,885	\$584,000	1,047
BlueHippo Funding	Dec-22	2,222	\$38,065	\$51,000	2,222
SLAC, Inc.	Dec-22	6,079	\$98,790	\$200,000	6,079
Mile High Madison Group	Dec-22	35,091	\$368,930	\$660,000	84,847
Totals		1,341,383	\$193,780,265	\$525,613,000	2,228,037

How Funds Were Used



Sending any remaining money to the U.S. Treasury

Whenever possible, the FTC uses the money it collects from defendants to provide refunds to injured consumers and pay the related administrative costs. When a refund program is not feasible or there is money left over after the refund program is complete, the FTC sends unused funds to the U.S. Treasury or to co-plaintiffs as required by the court and applicable law.

The agency generally closes a refund program and sends the remaining money to the U.S. Treasury when there are insufficient funds available for another round of payments, or when affected consumers have received full refunds. On average, the money sent to the U.S. Treasury after a refund program is complete accounts for less than five percent of the total funds collected. In fact, over the last five years (2017-2022), the agency returned over \$1.5 billion to consumers, while sending less than \$40 million to the U.S. Treasury.

In 2022, the FTC closed refund programs for 25 different cases that together resulted in more than \$85 million returned to consumers. On average, these refund programs were open for three years while the FTC distributed funds.

Cases Closed in 2022

Case Name	Closing Date	Total Fund	\$\$ Returned to Consumers	Admin Costs	Left Over Funds	Eligible Consumers	Consumers Who Cashed a Payment	Percent Who Cashed a Payment
Grand Teton	2/24/22	\$162,481	\$88,240	\$17,424	\$56,817	2,782	1,573	57%
Geniux	3/1/22	\$627,486	\$423,454	\$106,939	\$97,093	27,174	20,815	77%
CD Capital Investments	3/15/22	\$186,609	\$132,072	\$17,318	\$37,219	243	220	91%
Click 4 Support	4/20/22	\$1,840,101	\$1,600,827	\$166,418	\$72,856	57,960	22,356	39%
Telestar Consulting	5/3/22	\$7,000,325	\$6,818,222	\$105,123	\$76,980	13,181	9,728	74%
Commerce Planet	5/17/22	\$866,199	\$685,813	\$165,634	\$14,751	53,595	24,341	45%
J. William Enterprises	6/21/22	\$2,719,284	\$2,638,170	\$73,854	\$7,261	8,088	6,239	77%
NatureCity	6/21/22	\$537,500	\$382,057	\$92,565	\$62,878	22,581	18,117	80%
AuraVie	6/22/22	\$2,027,701	\$1,697,209	\$283,710	\$46,782	79,771	49,850	62%
Sage Auto Group	6/30/22	\$3,625,000	\$3,390,409	\$169,637	\$64,954	43,435	36,659	84%
AAFE Products	6/30/22	\$2,501,994	\$402,694	\$76,508	\$2,022,792	14,370	11,587	81%
A1 Janitorial Supply	7/19/22	\$2,700,000	\$2,438,268	\$153,086	\$108,645	30,374	21,804	72%
Vemma	8/16/22	\$2,303,692	\$2,149,962	\$139,241	\$14,489	28,224	19,422	69%
Bitcoin Funding Team	8/22/22	\$514,424	\$453,930	\$56,079	\$4,415	7,964	3,499	44%
EM Systems and Services	10/12/22	\$11,126,835	\$9,146,222	\$102,991	\$1,877,622	11,114	9,152	82%
Manhattan Beach Venture	11/1/22	\$292,200	\$251,728	\$21,839	\$18,633	2,889	2,652	92%
A1 Docprep	11/3/22	\$232,755	\$204,766	\$11,253	\$16,736	136	121	89%
Vision Solution Marketing	11/3/22	\$1,675,404	\$1,634,432	\$38,859	\$2,113	1,177	1,070	91%
Campbell Capital	11/7/22	\$30,000	\$14,040	\$11,516	\$4,444	603	427	71%
Stark Law	11/10/22	\$6,317,531	\$3,349,121	\$98,041	\$2,870,369	10,865	8,724	80%
Uber	11/14/22	\$20,000,000	\$19,365,136	\$372,189	\$262,675	88,799	78,117	88%
Direct Alternative	12/15/22	\$3,640,472	\$3,348,187	\$195,514	\$96,772	104,612	69,353	66%
Advertising Strategies	12/19/22	\$7,143,894	\$7,028,223	\$101,684	\$13,986	10,365	7,119	69%
Tarr, Inc.	12/19/22	\$6,381,245	\$5,883,124	\$317,395	\$180,725	227,995	150,744	66%
Standard Industries	12/20/22	\$11,766,693	\$11,556,288	\$166,235	\$44,171	29,333	19,885	68%

Refund Programs Administered by FTC Defendants and Other Federal Agencies

In rare circumstances, refunds resulting from FTC enforcement actions are provided directly by defendants or by another federal agency. In many of these cases, to protect the interests of affected consumers, FTC staff provides consultation and support, including guidance about the proposed refund program and related communications to affected consumers. The Enforcement Division engages in close oversight and monitoring of the program to ensure it complies with the order. For example, in 2022, consumers affected by the Equifax data breach began receiving benefits from the global settlement between Equifax and the Federal Trade Commission, the Consumer Financial Protection Bureau, and 50 U.S. states and territories. The settlement includes up to \$425 million to help people affected by the data breach.