

Hudson Cook Enforcement Alert: FTC Announced Settlement with Business Credit Report Service Provider over Violations of Previous FTC Order

October 1, 2025 | [Erik Kosa](#) and [Kristen Yarows](#)

HIGHLIGHTS:

- The Federal Trade Commission ("FTC") settled a case with a business credit report service provider (the "Company") over allegations that the Company violated a 2022 FTC order.
- The Company will pay a total of \$5.7 million, including \$3.7 million in consumer redress and over \$2 million in civil penalties.
- Director of the FTC's Bureau of Consumer Protection Christopher Mufarrige said the enforcement action "is another example of the Bureau's effort to reinvigorate its fraud program[.]".

CASE SUMMARY:

In a new consent order with the FTC, the Company has agreed to pay \$5.7 million to resolve allegations that it violated a 2022 FTC order finding that it engaged in unfair and deceptive practices by providing inaccurate information to its subscribers about its products and misrepresenting that purchasing fee-based products would improve their credit scores. In addition to the monetary relief, this new order requires the Company to (1) accurately provide notice of autorenewal prices in the notices it sent to consumers regarding the 2022 order; (2) not misrepresent material facts about its products; and (3) retain records relating to compliance with the 2022 order. Among other things, the FTC alleges the Company told businesses they must purchase products to have positive information reported in their credit reports.

The \$5.7 million monetary relief in the new order includes \$3.7 million in consumer redress and over \$2 million in civil penalties. In addition, the Company has agreed to modify the 2022 order to address the FTC's new allegations, including:

- Maintaining the use of a third-party quality assurance provider;
- Implementing and maintaining a comprehensive compliance program;

- Ensuring the Company's leadership submits annual certifications regarding compliance with the order; and
- Notifying the Commission within 60 days of any instances of failing to comply with the order involving certain autorenewal products, problems with updating the Company's trade data, and retention of records.

This demonstrates the FTC's renewed focus on prioritizing enforcement actions involving allegations of fraudulent behavior over more novel UDAP theories pursued under past leadership.

RESOURCES:

You can review all of the relevant administrative filings and press releases at the [FTC's Enforcement Page](#).

- [Press Release](#)
- [Proposed Complaint](#)
- [2022 Complaint](#)
- [2022 Order](#)

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