



Partner Allen Denson quoted in Law360 article on FTC restitution under Section 13(b)

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On August 23, *Law360* reported that a Seventh Circuit ruling overturning a \$5 million restitution award won by the Federal Trade Commission (FTC) in a Chicago deceptive practices case could create issues for the FTC's enforcement program when suing under Section 13(b) of the Federal Trade Commission Act. The decision overruled the 1989 decision in *FTC v. Amy Travel Service Inc.*, in which the Seventh Circuit had ruled that Section 13(b) carried with it the implied injunction authority to allow restitution. According to *Law360*, other circuit courts have ruled similarly over the years.

Hudson Cook Partner [Allen Denson](#), who has represented clients before the FTC, said uncertainty stemming from the Seventh Circuit's decision could also spur respondents to FTC investigations and litigation to second-guess whether it makes sense to pay restitution when settling with the agency. "I don't think that anybody would agree to a restitution component at this point," Allen told *Law360*.

Allen agreed with other attorneys who spoke to *Law360* that there's a distinct possibility that the Supreme Court will step in to address whether Section 13(b) authorizes monetary relief now that the Seventh Circuit has split from its sister circuits on the issue. "If Congress wants them to be able to have that full range of equitable powers, it needs to write it into the statute like it has with the CFPB," Allen said.

Allen is a partner in the firm's Washington, DC office. His practice focuses on representing small dollar lenders, sales finance companies, Fintech companies, banks, auto dealers and other financial services companies in [government investigations, examinations and regulatory enforcement actions](#). He represents clients before the CFPB, FTC, DOJ, federal prudential regulators, as well as state attorneys general and financial regulatory agencies. He also assists clients in complying with federal consumer financial law. Before joining Hudson Cook, Allen was a Senior Attorney with the U.S. Department of the Treasury, Office of the Comptroller of the Currency, Enforcement & Compliance Division.

Subscribers to *Law360* may [click here](#) to read the article.

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7037 Ridge Road, Suite 300, Hanover, Maryland 21076
410.684.3200

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