



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

March 13, 2024

FTC Sends More Than \$4.1 Million in Refunds to People Who Lost Money to Student Loan Debt Relief Scheme

Agency said scammers lured consumers with fake loan forgiveness and pocketed their money

The Federal Trade Commission is sending more than \$4.1 million in refunds to people who lost money to student loan debt relief scammers who lured consumers with fake loan forgiveness claims and pocketed their money. The scheme used many names including Mission Hills Federal, Federal Direct Group, National Secure Processing, and The Student Loan Group.

[The FTC filed a complaint against the operators of Mission Hills Federal and Federal Direct Group](#) in 2019, alleging that since 2014 they tricked students into paying hundreds to thousands of dollars in illegal upfront fees and pretended to lower consumers' monthly student loan payments. The operators also tricked consumers into sending their monthly student loan payments directly to the defendants by falsely claiming to take over the servicing of the consumers' loans. In reality, few payments were actually applied to consumers' student loans and in many cases, none at all. Instead, the defendants kept consumers' money for themselves.

The FTC is sending checks to 27,584 consumers. Recipients should cash their checks within 90 days, as indicated on the check. Consumers who have questions about their payment should contact the refund administrator, JND Legal Administration, at 1-844-566-0108, or visit the FTC website to view [frequently asked questions about the refund process](#). The Commission never requires people to pay money or provide account information to get a refund.

The Commission's [interactive dashboards for refund data](#) provide a state-by-state breakdown of refunds in FTC cases. In 2023, FTC actions led to more than \$324 million in refunds to consumers across the country.

The Federal Trade Commission works to promote competition and [protect and educate consumers](#). The FTC will never demand money, make threats, tell you to transfer money, or promise you a prize. Learn more about consumer topics at [consumer.ftc.gov](#), or report fraud,

scams, and bad business practices at ReportFraud.ftc.gov. Follow the [FTC on social media](#), read [consumer alerts](#) and the [business blog](#), and [sign up to get the latest FTC news and alerts](#).