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FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

FTC Halts Deceptive Student Debt Relief Scheme that Bilked Consumers out of Millions

Operators charged illegal upfront fees and falsely promised to reduce or eliminate consumers' student loan debt



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FOR RELEASE

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The Federal Trade Commission alleged that a California-based student debt relief scheme bilked consumers out of millions of dollars using false promises that they could reduce their monthly payments, or eliminate or reduce their student loan debt.

A federal court temporarily halted the scheme and froze its assets at the request of the FTC, which seeks to end the deceptive practices.

Operators of the scheme, including recidivist scammer Tuan Duong, falsely promoted a 96 percent success rate in reducing consumers' student loan payments, according to the FTC's complaint. In fact, the consumers who purchased these services often did not receive any debt relief and lost hundreds of dollars.

The complaint also alleges that the defendants charged consumers illegal upfront fees of \$499 or more for these purported debt relief services.

“People struggling to repay their student loan debt are a favorite target for fraudsters,” said Andrew Smith, Director of the FTC’s Bureau of Consumer Protection. “If anyone promises quick student loan forgiveness or asks you to pay in advance for help with your student debt, tell the FTC, because that’s a scam.”

In [2015, Duong was sued by the Commission](#) as part of [Operation Mis-Modification](#), a joint federal-state enforcement initiative against six fraudulent mortgage relief schemes. In 2016, [the court granted the Commission’s motion for summary judgment against Duong](#). Under the final order entered by the Court, Duong was banned from advertising, marketing, or promoting debt relief services or misrepresenting any fact material to consumers relating to any product or service. The order also required Duong to pay more than \$1.7 million in restitution, which Duong failed to pay.

The defendants in this case are three corporations: Impetus Enterprise, Inc. (also doing business as Aiding Student Relief, Aiding Students & Teachers, Aidnest, Avec Staffing, and National Education Student and Teacher); Fig Tree & Co., LLC (also doing business as Aiding Student Relief, Aiding Students & Teachers, and Aiding Student & Teacher) and relief defendant, Noel Solutions, LLC; and three individual defendants; Tuan Duong (also known as Thomas Duong and Thomas Dinh), Brenda Avitia-Pena, and Brian Colombana.

The Commission vote approving the Complaint was 5-0. The U.S. District Court for the Central District of California entered a temporary restraining order in the case on November 13, 2018.

NOTE: The Commission files a complaint when it has “reason to believe” that the law has been or is being violated and it appears to the Commission that a proceeding is in the public interest. The case will be decided by the court.

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#), and [subscribe to press releases](#) for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

[Federal and State Agencies Stop Phony Mortgage Relief Schemes](#)

[FTC Action: Court Bans Mortgage Relief Scammers from Debt Relief Business](#)

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