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FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

Operators of Student Loan Debt Relief Schemes Settle FTC Charges

The settlements stem from an FTC-led enforcement sweep announced last year



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FOR RELEASE

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The defendants in two student loan debt relief cases have agreed to settle Federal Trade Commission claims that they charged consumers illegal upfront fees and falsely promised to help reduce or forgive student loan debt burdens.

The settlements with Strategic Student Solutions and Bloom Law Group are part of a coordinated federal-state law enforcement initiative targeting deceptive student loan debt relief scam announced by the FTC in October 2017, called [Operation Game of Loans](#).

Strategic Student Solutions

The FTC has obtained a [settlement with an unlawful debt relief and credit repair operation](#) for violating the FTC Act, the Telemarketing Sales Rule, and the Credit Repair Organizations Act after they allegedly bilked millions of dollars from consumers by falsely promising to reduce or eliminate their student loan debt and offering them non-existent credit repair services. The settlement also resolves the FTC's action against relief defendant DG Investment Properties LLC.

According to the [complaint](#), [individual defendant Dave Green and his companies](#) – Strategic Student Solutions LLC, Strategic Credit Solutions LLC, Strategic Debt Solutions LLC, Strategic Doc Prep Solutions LLC, Student Relief Center LLC, and Credit Relief Center LLC – preyed on consumers with student loan debt by falsely promising to reduce their debt or payments through enrollment in student loan forgiveness or other programs. The defendants also falsely promised to apply monthly payments to consumers’ student loans and to improve credit scores and histories in addition to making other false claims and charging unlawful advance fees.

The defendants are permanently banned from debt relief and credit repair activities and from making misrepresentations or unsubstantiated claims related to financial or any other products or services. In addition, the order includes a monetary judgment of more than \$17 million. After the defendants turn over substantially all of their assets, worth more than \$4 million, the judgment will be partially suspended due to their inability to pay the full judgment.

Bloom Law Group (Defendant in *FTC v. A1 DocPrep, Inc.*)

The FTC has also obtained a [settlement with Bloom Law Group PC](#) (also doing business as Home Shield Network and Keep Your Home USA), one of the defendants who participated in a scheme that allegedly defrauded thousands of consumers out of millions of dollars. The FTC charged that the Los Angeles-based operation took millions from consumers through unlawful student loan debt relief and mortgage assistance relief schemes.

According to the [complaint](#), [the defendants falsely claimed to be from the Department of Education](#), and promised to reduce borrowers’ monthly payments or forgive their loans. The FTC also alleged the defendants targeted distressed homeowners, making false promises to consumers that they would provide mortgage relief and prevent foreclosure.

Under the settlement order, the defendants are banned from debt relief and telemarketing activities and from making misrepresentations or unsubstantiated claims related to financial or other products or services.

The order includes a judgment of more than \$9 million, representing gross revenues of the defendants’ debt relief and MARS operations, minus refunds. Due to inability to pay, the order partially suspends the monetary judgment after the defendant turns over all of its assets, \$54,000.

Litigation continues against co-defendants Homan Ardalan, A1 DocPrep, Inc., and Stream Lined Management.

The Commission vote approving the stipulated final orders in Strategic Student Solutions was 5-0. The U.S. District Court for the Southern District of Florida entered the order on May 29, 2018.

The Commission vote approving the stipulated final order in Bloom Law Group was 2-0. The U.S. District Court for the Central District of California entered the order on May 7, 2018.

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:

[FTC Stops Operators of Unlawful Student Debt Relief and Credit Repair Scheme](#)

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