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**FEDERAL TRADE COMMISSION**  
PROTECTING AMERICA'S CONSUMERS

# Two Defendants Settle Allegations in 'Money Now Funding' Credit Card Charge Laundering Scheme

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FOR RELEASE

December 11, 2018

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Two defendants charged with laundering millions of dollars in credit card charges through fraudulent merchant accounts have settled with the Federal Trade Commission.

Under the proposed settlement order, the defendants, Nikolas Mihilli and Dynasty Merchants, LLC – a company created by Mihilli to launder fraudulent transactions – are prohibited from engaging in credit card laundering. They are also banned from telemarketing, and from acting as payment processors, independent sales organizations, or sales agents.

According to the complaint filed by the FTC, the defendants arranged for a deceptive operation known as Money Now Funding to obtain and maintain merchant accounts that allowed the operation to process almost \$6 million through the credit card networks. The FTC charged Mihilli and Dynasty Merchants, LLC with violating the Federal Trade Commission Act and the Telemarketing Sales Rule.

A monetary judgment of \$5.8 million has been suspended due to the defendants' inability to pay. If the court finds that either defendant misstated or omitted the value of any material asset, the judgment will immediately become due.

Mihilli and Dynasty Merchants, LLC were two of a dozen defendants charged in 2017. In March 2018, Michael Abdelmesseh and KMA Merchant Services LLC were the first to settle with the FTC. Litigation continues against the remaining eight defendants.

In 2013, the FTC sued Money Now Funding for telemarketing worthless business opportunities to consumers and falsely promising thousands of dollars in income. In 2015, the court entered summary judgment and default judgments against certain Money Now Funding defendants, finding that the business opportunities were a complete fraud and that consumers who bought these opportunities lost thousands of dollars each, resulting in \$7,375,258.84 in total consumer injury. Each of the remaining defendants settled in 2015.

The Commission vote approving the stipulated final order was 5-0. The FTC filed the proposed order in the U.S. District Court for the District of Arizona on Dec. 11, 2018.

**NOTE:** Stipulated final orders have the force of law when approved and signed by the District Court judge.

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 Files Charges Against Independent Sales Organization and Sales Agents](#)

[FTC Stops Elusive Business Opportunity Scheme](#)

[Defendants Settle FTC Charges in 'Money Now Funding' Credit Card Laundering Scheme](#)

[FTC Halts Elusive Business Opportunity Scheme](#)

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