

Attorney General Ellison Shuts Down Fraudulent Student-Loan Debt-Settlement Company

“Minnesota Attorney General Keith Ellison announced this week that his office has obtained a settlement that requires a California student-loan debt-relief company that illegally collected fees from customers and misrepresented its services to consumers to cease operating in Minnesota and provide full refunds to its Minnesota consumers,” reports *International Falls Journal*.

“Among other things, Student Education Center – a company based in Newport Beach, Calif. – falsely promised consumers student-loan forgiveness, when only the federal government can forgive federal student loans. It told consumers it would take over their student-loan payments, when all it did was enroll consumers in federal repayment programs that consumers can enroll themselves in for free, then pocketed both initial and monthly fees for doing so. It also collected its fees up front before performing the promised services, which is illegal under Minnesota law regulating debt settlement services. Additionally, Student Education Center was operating without registering as a debt-settlement service provider, as required by Minnesota law.”

“The settlement, filed in Ramsey County District Court, requires Student Education Center to immediately pay the State \$122,019.18 – the full amount it has collected but not otherwise refunded its Minnesota customers.”

Read the article.