

Mission Hills Receivership Frequently Asked Questions (FAQs)

1. What companies have been sued by the FTC?

The FTC's Complaint names the following companies as Defendants:

- **Elegant Solutions, Inc.**, also doing business as **Federal Direct Group**
- **Trend Capital Ltd.**, also doing business as **Mission Hills Federal**
- **Dark Island Industries, Inc.**, also doing business as **Federal Direct Group** and **Cosmopolitan Funding Inc.**
- **Heritage Asset Management, Inc.**, also doing business as **National Secure Processing**
- **Tribune Management, Inc.**, also doing business as the **Student Loan Group**

Individuals named in the FTC's Lawsuit:

- Mazen Adib Radwan (aka Mike Radwan)
- Rima Radwan
- Dean Paul Robbins

2. How do I deal with my student loan now?

We recommend that you immediately contact your student loan servicer regarding the status of your loan and confirm to them that no third party is authorized to represent you in connection with your student loan account. A list of approved student loan servicers can be found at: <https://studentloans.gov/myDirectLoan/additionalInformation.action>.

3. Can I get a refund?

At this very early stage of the case, the Receiver is still conducting his investigation and marshalling the assets of the Receivership Entities. If the FTC prevails in the case, the matter of refunds will be an issue for the FTC and the Court to resolve. This determination is a long way down the road. As further information becomes available on the subject of refunds, we will post it on this website.

4. What is the next step for customers?

Again, we recommend that you immediately contact your student loan servicer regarding the status of your loan and confirm to them that no third party is authorized to represent you in connection with your student loan account. A list of approved student loan servicers can be found at: <https://studentloans.gov/myDirectLoan/additionalInformation.action>.

5. Will ACH auto-debits still be taken out of my account?

All of Defendants' bank accounts have been frozen which includes merchant accounts that process debit cards. As such, auto-debits should stop although it sometimes takes a few days to fully implement the freeze.

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6. How do I find out if my student loan is in default?

You should contact an approved loan servicer and they can assist you going forward. A list of approved student loan servicers can be found at:
<https://studentloans.gov/myDirectLoan/additionalInformation.action>.

7. Can someone from the Receiver's Office contact me directly?

The Receiver does not have the resources to respond directly to each phone call or email coming into the Receiver's office. The volume is just too high. But, these FAQs are a good substitute for direct contact as they will be regularly updated to respond to new questions and issues as they are raised by consumers.

8. How do I keep up with what the Receiver is doing?

The Receiver's website is the most efficient vehicle for consumers to keep up with developments. Go to <http://regulatoryresolutions.com/> and click the link for cases and then *Federal Trade Commission v. Elegant Solutions, Inc., et al.* The Receiver will also file Status Reports and accountings with the Court which will be posted on the Receiver's website.

9. I was an employee - how do I get paid?

All of Defendants' assets have been frozen, so there are no funds available at this time for any payments to employees or other creditors of the Defendants. The TRO which appointed the Receiver also prevents any payment of pre-receivership debts without the Court's prior authorization. In short, there are no present procedures for payments to employees. Whether and to what extent payments may be made to employees in the future is a subject for future resolution by the Court.

10. What is the Federal Trade Commission ("FTC") case about and what is the status?

The FTC's lawsuit alleged that Defendants used deceptive practices and charged consumers unlawful advance fees in connection with its student loan debt relief business. On July 8, 2019, the Court entered a Temporary Restraining Order ("TRO") which prohibited any further unlawful activity and appointed Thomas W. McNamara as Temporary Receiver ("Receiver") to take possession and control of the businesses. After taking possession of the business premises in Irvine, California, the Receiver suspended operations since Defendants were engaged in conduct prohibited by the TRO.

On July 17, 2019, the Court entered a Stipulated Preliminary Injunction against all Defendants, continuing the terms of the Temporary Restraining Order entered July 8, 2019 and confirming Mr. McNamara's appointment as Receiver for the business activities of the Receivership Entities.

The Receiver has made the determination that the Receivership Entities' businesses cannot go forward legally and profitably and therefore, the businesses have been closed permanently. A copy of the Preliminary Report filed by the Receiver can be accessed on

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the Receiver's website at <https://regulatoryresolutions.com/case/federal-trade-commission-v-elegant-solutions-inc-et-al/>, under the documents section of the webpage.

11. What is a receivership and how does it work?

When the FTC filed its civil action in the federal Court, it asked the Court to appoint a Receiver to immediately take over operations of the multiple businesses run by the Defendants. The order appointing the Receiver grants the Receiver broad powers over the businesses. In that role, the Receiver is an independent party. He does not work for the FTC or for the Defendants. He reports directly to the Court and is supervised by the Court.