



FTC Action: Payday Debt Relief Operation Banned from Debt Relief Business

FOR RELEASE

September 8, 2016

TAGS: [Bureau of Consumer Protection](#) | [Consumer Protection](#) | [Credit and Finance](#) | [Debt Collection](#)

The owners of a debt relief operation that targeted consumers with outstanding payday loans will be banned from the debt relief business under settlements with the Federal Trade Commission.

In February 2015, the FTC filed a [complaint](#) alleging that [Jared Irby](#), [Richard Hughes](#), [Coastal Acquisitions LLC](#), and [PSC Administrative LLC](#), who typically did business as “Payday Support Center” or “Infinity Client Solutions,” falsely promised to resolve consumers’ payday loans through their hardship program. Once enrolled, consumers stopped making payments to their lenders, but the defendants failed to provide the promised debt relief, and consumers ended up in deeper financial trouble, having paid hundreds of dollars for no reduction or settlement of their loans according to the agency.

Under two stipulated final orders announced today, the defendants are banned from all debt relief-related activities, and they are prohibited from making misrepresentations about financial and other products and services, and from making unsubstantiated claims about any products or services. The orders also bar the defendants from profiting from consumers’ personal information and failing to dispose of it properly.

Each order imposes a judgment of more than \$23.7 million that will be partially suspended when Irby and the corporate defendants pay \$149,537, and Hughes pays \$8,037.26. In each case, the full judgment will become due immediately if the defendants are found to have misrepresented their financial condition.

The Commission vote authorizing the staff to file the stipulated final orders against [Irby](#), [Coastal Acquisitions](#) and [PSC Administrative](#), and against [Hughes](#), was 3-0. The U.S. District Court for the Southern District of Alabama entered the orders on September 7, 2016.

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

Learn more at [Payday Loans](#) and [Coping With Debt](#).

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 Sues to Stop Deceptive Debt Relief Operation](#)

Contact Information

MEDIA CONTACT:

Frank Dorman

FTC Office of Public Affairs

202-326-2674

STAFF CONTACT:

K. Michelle Grajales

Bureau of Consumer Protection

202-326-3172

