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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT)	
OF FINANCE, CONSUMER FINANCE)	Docket No. 2011-9-09
BUREAU,)	
)	
Complainant,)	CONSENT ORDER
)	
vs.)	
)	
SUPERIOR DEBT SERVICES, dba)	
SUPERIOR DEBT SERVICES, INC.,)	
)	
Respondent.)	

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the Idaho debt counseling activities of SUPERIOR DEBT SERVICES, dba SUPERIOR DEBT SERVICES, INC. (the Respondent). Pursuant to such review, it appears to the Director that the Respondent has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act). The Director and the Respondent have agreed to resolve this matter through this Consent Order rather than through a formal administrative proceeding or civil action. Therefore, the Director deems it appropriate and in the public interest that this

Consent Order be entered. The Respondent voluntarily consents to the entry of this Consent Order.

RESPONDENT

1. The Respondent is a Nevada corporation doing business in a manner defined as debt or credit counseling under the Act (hereinafter “debt counseling activities”). The Respondent conducts its debt counseling activities from 2625 Redwing Road, Suite 140, Fort Collins, Colorado 80526. The Respondent’s CEO/President is Lee A. Newlin, and its vice-presidents are Dominick E. Yost, John M. Wilson, and Alyssa M. Bradford.

2. The Respondent also uses the name “Superior Debt Relief,” although it has not officially adopted such name as an assumed business name.

3. The Respondent had never applied for a license to engage in debt counseling activities in Idaho under the Act until its recent application submitted to the Department on or about April 15, 2011.

FACTS

4. On or about March 1, 2011, while conducting an investigation of an unrelated company, an examiner/investigator with the State of Idaho, Department of Finance, Consumer Finance Bureau (Department) became aware of the Respondent’s business and the possibility that it had engaged in unlicensed debt counseling activities in Idaho.

5. After checking the Department’s license database, the Department examiner/investigator noted that the Respondent failed to hold a license under the Act that would authorize it to engage in debt counseling activities in Idaho.

6. On March 14, 2011, the Department examiner/investigator sent a letter to the Respondent inquiring about its possible unlicensed debt counseling activities in Idaho. In that

letter, the Department requested that the Respondent provide information necessary for the Department to determine whether the Respondent had engaged in unlicensed activities in Idaho under the Act, and if so, the extent of such activities. The letter requested that the Respondent provide the requested information by no later than April 1, 2011. Because the Respondent did not respond to such letter, the Department sent a follow-up letter to the Respondent on April 4, 2011.

7. On or about April 15, 2011, the Department received a letter from the Respondent's representative indicating that it wished to obtain a license under the Act.

8. After April 15, 2011, the Respondent engaged in ongoing communications with a Department examiner/investigator, cooperating in the Department's investigation by providing the information requested. Such information indicated that the Respondent had engaged in debt counseling activities in Idaho while failing to hold a license under the Act authorizing it to do so.

9. On or about June 1, 2011, the Department received a license application from the Respondent to authorize it to engage in debt counseling activities in Idaho for which a license is required under the Act. The Respondent's license application is complete and ready for processing pending finalization of the Consent Order.

FINDINGS OF VIOLATION

UNLICENSED DEBT COUNSELING OR CREDIT COUNSELING ACTIVITY

10. The allegations set forth in paragraphs 1 through 9 above are fully incorporated herein by this reference.

11. Idaho Code § 26-2222(9) defines "debt counselor" or "credit counselor" as "any person engaged in any of the activities enumerated in subsection (7) of section 26-2223" of the Act.

12. Idaho Code § 26-2223(7) provides as follows, in pertinent part:

26-2223. Collection agency, debt counselor, credit counselor, or credit repair organization – License required. -- No person shall without complying with the terms of this act and obtaining a license from the director:

...
(7) Engage or offer to engage in this state ... in the business of providing counseling or other services to debtors in the management of their debts, or contracting with the debtor to effect the adjustment, compromise, or discharge of any account, note or other indebtedness of the debtor.

13. The Respondent's acts of engaging in debt counseling activity in Idaho as referenced in paragraph 8 above, while the Respondent failed to maintain the license required by the Act authorizing it to do so, constitute violations of Idaho Code § 26-2223(7). Each contract with an Idaho consumer constitutes a separate violation.

REMEDIES

14. The Respondent admits to the allegations contained in this Consent Order.

15. The Respondent certifies that the information provided to the Department is true and accurate, and that it reflects all debt counseling activities the Respondent has ever engaged in with Idaho consumers.

16. The Respondent may continue to service existing Idaho clients, but may not charge any fee for its services until such time as the Respondent is issued a license by the Department under the Act. The Respondent agrees to immediately cease engaging in any marketing or solicitation activities seeking new Idaho clients until such time as it obtains a license under the Act.

17. Upon the execution of this Consent Order, and by no later than July 29, 2011, the Respondent agrees to pay to the Department an administrative penalty in the amount of fifteen thousand dollars (\$15,000) to address the violations set forth herein, and an additional five thousand dollars (\$5,000) for investigative expenses and attorney fees incurred by the

Department in pursuing this matter, for a total payment to the Department of twenty thousand dollars (\$20,000).

18. When the Respondent has executed this Consent Order and paid to the Department the moneys referenced in paragraph 17 above, the Department agrees to issue a license under the Act authorizing the Respondent to engage in debt counseling activities in Idaho.

19. The Respondent agrees to comply with all provisions of the Idaho Collection Agency Act, rules promulgated thereunder, and federal laws and regulations that may be applicable to its Idaho debt counseling activities at all times in the future.

20. The Respondent agrees that the findings of fact and violations contained herein may be used in any subsequent proceeding resulting from its breach of any of the terms of this Consent Order or future violations of the Act, rules promulgated thereunder, or relevant federal laws and rules.

21. The Department agrees not to seek further penalties or fees for the violations identified in this Consent Order other than as set forth in paragraph 17 above, so long as the Respondent fully and timely complies with the terms of this Consent Order. If the Department later determines that any of the information provided by the Respondent related to the matters addressed herein is false or incomplete, the Department may seek further sanctions from the Respondent either administratively or pursuant to a civil action.

22. The Respondent acknowledges and understands that this Consent Order is an administrative action that must be disclosed to the Department on future licensing and renewal forms. The disclosure requirements of other states may also require disclosure of the same.

DATED this 19th day of July, 2011.

SUPERIOR DEBT SERVICES,
dba SUPERIOR DEBT SERVICES, INC.

John Wilson

By: John Wilson

Vice President
Title

DATED this 21st day of July, 2011.

STATE OF IDAHO
DEPARTMENT OF FINANCE

Michael Larsen

MICHAEL LARSEN
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 21st day of July, 2011.

STATE OF IDAHO
DEPARTMENT OF FINANCE

Gavin M. Gee

GAVIN M. GEE, Director



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21 day of July, 2011,
I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be
served on the following by the designated means:

Kenneth C. Howell
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P.O. Box 1617
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U.S. mail, postage prepaid
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Paralegal