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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 BUREAU,

Complainant,

vs.

COAST TO COAST FINANCIAL  
SOLUTIONS, INC., a California corporation,

Respondent.

Docket No. 2012-9-11

**CONSENT ORDER**

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the collection activities in Idaho of COAST TO COAST FINANCIAL SOLUTIONS, INC. (Respondent). Pursuant to such review, it appears to the Director that Respondent has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act). The Director and Respondent have agreed to resolve such matter through this Consent Order rather than through a formal administrative or civil action. Therefore, the Director deems it appropriate and in the public interest that this Consent Order be entered. Respondent voluntarily consents to the entry of this Consent Order.

## RESPONDENT

1. Respondent was formed a California corporation on December 20, 2002. Respondent conducts business as a collection agency in Idaho from 101 Hodencamp Road, Suite 120, Thousand Oaks, California. Respondent's president is Christopher Patrick Sutton.

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## FACTS

2. From January 23, 2008 through March 15, 2009, Respondent held Idaho Collection Agency License No. CCA 7277, issued by the State of Idaho, Department of Finance, Consumer Finance Bureau (Department), authorizing it to engage in collection activities in Idaho.

3. Idaho Code § 26-2231(1) and -(2) provide that a collection agency licensee must file with the Director a license renewal form providing complete information as required by the Director, and pay a \$100 fee by March 15th each year. Failure to do so results in the automatic expiration of the license as of March 15, of the applicable year.

4. Respondent failed to comply with all requirements for renewal of its Idaho collection agency license by March 15, 2009; therefore, its Idaho collection agency license was canceled on March 16, 2009. On March 24, 2009, the Department notified Respondent of the license cancelation. Such notice informed Respondent that it was prohibited from engaging in collection agency activities without a license issued under the Act.

5. On or about December 20, 2011, the Department received a complaint from A.F., a resident of Kimberly, Idaho. In the complaint, A.F. informed the Department that Respondent had sent him a letter dated December 14, 2011 in an attempt to collect on a debt allegedly owed by A.F. In addition, A.F. asserted that the debt being collected on by Respondent had been paid

on or around November 14, 2011; therefore A.F. did not owe the debt at the time Respondent attempted to collect on it.

6. After receiving the complaint from A.F. and noting that Respondent was not licensed under the Act during the time period it was collecting against Idaho resident A.F., the Department initiated an investigation concerning Respondent's apparent unlicensed collection activity in Idaho. As part of that investigation, the Department requested that Respondent provide information concerning the extent of its unlicensed collection activity in Idaho between 2009 and 2012. Respondent complied with such request in a response dated February 9, 2012.

7. After receiving Respondent's response to its request for information, on or about March 7, 2012, the Department received an application for a new collection agency license under the Act from Respondent.

8. After review of Respondent's March 7, 2012 license application, on April 11, 2012, the Department sent Respondent a notice listing deficiencies contained in its license application. Additionally, the Department's letter requested that Respondent submit information to the Department concerning its collection activities in Idaho. The Department gave Respondent until June 8, 2012 to cure the deficiencies contained in its license application, and warned Respondent that it was not authorized to engage in collection activities in Idaho until such time as it was issued a license under the Act. On or about June 4, 2012, the Department received a response to its April 11, 2012 deficiency notice. Such response indicated that Respondent had collected against 85 Idaho residents.

9. In or around August 2012, the Department received information from an Idaho resident not previously listed in Respondent's list provided to the Department that the Respondent had attempted to collect on a debt allegedly owed by the individual. On August 24,

2012, the Department's attorney requested that Respondent provide complete information to the Department. Respondent complied with that request on September 11, 2012. In addition, Respondent provided supplemental responses to the Department on October 2, 2012.

10. From the information provided by Respondent on February 9, June 4, September 11, and October 2, 2012, the Department concluded that Respondent has been engaged in unlicensed collection activities against at least 1694 Idaho residents since at least June 2011.

### **FINDINGS**

#### *ENGAGING IN UNLICENSED COLLECTION ACTIVITIES IN IDAHO*

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

12. Idaho Code § 26-2223 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:

(1) Operate as a collection agency . . . in this state.

(2) Engage, either directly or indirectly, in this state in the business of collecting or receiving payment for others of any account, bill, claim or other indebtedness.

...

13. "Collection agency," as defined in Idaho Code § 26-2222(4), means a person who engages in any of the activities enumerated in subsections (2) through (6) of Idaho Code § 26-2223. Idaho Code § 26-2223(2) is set forth in paragraph 12 above.

14. "Collection activities," as defined in Idaho Code § 26-2222(3), means the activities enumerated in subsections (2) through (6) of Idaho Code § 26-2223. Idaho Code § 26-2223(2) is set forth in paragraph 12 above.

15. Respondent's acts of operating as a collection agency and engaging in collection activities in Idaho without a license, as referenced above, constitute violations of Idaho Code

§ 26-2223(1) and -(2). Each act of operating as a collection agency and engaging in collection activities in Idaho without maintaining the license required by the Act constitutes a separate violation.

### REMEDIES

16. Respondent admits to violations of Idaho Code § 26-2223(1) and -(2) by operating as a collection agency in Idaho and collecting or receiving payments for others of any account, bill, claim or other indebtedness, while not licensed under the Act, as referenced above.

17. Respondent agrees to immediately cease and desist from engaging in any and all collection activities in Idaho, to include making telephone calls related to collection activities, including automated calls; and mailing, faxing, e-mailing, or otherwise delivering communications to Idaho residents in connection with collection activities until such time as it obtains a license under the Act authorizing it to do so.

18. Respondent agrees to pay to the Department the sum of ten thousand dollars (\$10,000) as an administrative penalty in settlement of the violations contained herein, and an additional amount of one thousand dollars (\$1,000) constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of eleven thousand dollars (\$11,000), by no later than October 26, 2012.

19. When Respondent has executed this Consent Order and timely paid to the Department the eleven thousand dollar (\$11,000) payment referenced in paragraph 18 above, the Department agrees to accept and consider the license application already submitted by Respondent, and that it will not use this Consent Order as the basis for denial of Respondent's license application.

20. Respondent agrees to comply with all provisions of the Idaho Collection Agency Act, rules promulgated thereunder, and relevant federal law and regulations at all times in the future.

21. The Department agrees not to seek further penalties or fees from Respondent for the violations addressed in this Consent Order, other than as set forth in paragraph 18 above, if Respondent timely and fully complies with all provisions of this Consent Order.

22. 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.

23. Respondent acknowledges and understands that should the Department learn of additional violations by Respondent of the Act, rules promulgated under the Act, or applicable federal laws and regulations relating to Respondent's collection activities in Idaho, the Department may pursue further legal action and seek additional remedies.

DATED this 16 day of OCTOBER, 2012.

COAST TO COAST FINANCIAL SOLUTIONS, INC.

By: CHRISTOPHER SUTTON

CEO

Title

DATED this 16 day of OCTOBER, 2012.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Michael Larsen 10-18-12  
MICHAEL LARSEN

Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 18<sup>th</sup> day of OCTOBER, 2012.



STATE OF IDAHO  
DEPARTMENT OF FINANCE

GAVIN M. GEE  
Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 18 day of October, 2012, I served a true and correct copy of the foregoing CONSENT ORDER upon the following by the designated means:

Coast to Coast Financial Solutions, Inc.  
Attn: Christopher Sutton, President  
101 Hodencamp Rd., Ste. 120  
Thousand Oaks, CA 91360-5831

- U.S. mail, postage prepaid
- Certified mail
- Facsimile: (805) 777-9275
- Email: [csutton@c2cfsi.com](mailto:csutton@c2cfsi.com)

Paralegal