

LAWRENCE G. WASDEN  
Attorney General

BRIAN D. NICHOLAS – I.S.B. #3585  
Deputy Attorney General  
State of Idaho  
Department of Finance  
P.O. Box 83720  
Boise, Idaho 83720-0031  
Telephone: (208) 332-8092  
Facsimile: (208) 332-8016  
brian.nicholas@finance.idaho.gov

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

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, CONSUMER FINANCE BUREAU,

Complainant,

vs.

THE LAW OFFICE OF CHARLES MIFSUD  
LLC d/b/a MLO GROUP,  
NMLS ID NO. 1359216,

Respondent.

Docket No. 2015-9-08

**CONSENT ORDER**

The Director of the Idaho Department of Finance (Director) has conducted a review of the collection activities in Idaho of THE LAW OFFICE OF CHARLES MIFSUD LLC d/b/a MLO GROUP (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 this matter through this Consent Order rather than through an adversarial hearing in 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 as an Ohio professional limited liability company on May 8, 2003. Respondent is a law firm doing business as a collection agency. Such business includes Respondent collecting or receiving payment for others of any account, bill, claim or other indebtedness. Respondent's primary address is 6305 Emerald Parkway Dublin, OH 43016. It conducts business in Idaho from 919 Old Henderson Road, Suite 300, Columbus, Ohio 43220. Respondent's owner is Charles A. Mifsud.

## FACTS

2. Mr. Mifsud is licensed to practice law in the state of Ohio. He does not hold a license to practice law in the state of Idaho.

3. From January 2, 2015 through March 15, 2015, Respondent held Idaho Collection Agency License No. CCA 9112, authorizing it to engage in collection activities in Idaho.

4. 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 fee of \$100 by March 15 of each year, in order for a license to be renewed. Failure to do so results in the automatic expiration of the license as of March 15 of the applicable year.

5. Respondent failed to meet the requirements of the Act for renewing its Idaho collection agency license by March 15, 2015.

6. On April 14, 2015, the Department received a complaint from Idaho resident, R.B. regarding being contacted by Respondent for the purpose of collecting a third party debt. R.B. indicated that she had received two collection letters from Respondent. One was dated March 4, 2015 and the other April 3, 2015.

7. After receiving R.B.'s complaint and noting that Respondent's Idaho collection agency license was expired when the April 3, 2105 letter was mailed to R.B., the Department began an investigation of Respondent's collection activities in Idaho. The Department's investigation included communicating with Respondent regarding the matter being investigated.

8. On April 22, 2015, as part of its investigation, the Department sent a letter to Respondent concerning the complaint, and Respondent's apparent unlicensed collection activity in Idaho. In that letter, the Department requested that Respondent provide information necessary for the Department to determine the extent of Respondent's unlicensed collection activity in Idaho.

9. On May 12, 2015, the Department received a letter from Respondent dated May 11, 2015 in response to the Department's April 22, 2015 letter. In the response, Respondent provided documents relating to R.B.'s complaint. Respondent also provided the Department with information showing other collection activity that Respondent conducted in Idaho while it failed to hold a license under the Act.

10. From the information provided to the Department by Respondent, the Department concludes that Respondent, while it was not licensed, collected against at least 9 (nine) Idaho residents during the time period between at least March 26 and April 8, 2015.

11. The Department further concludes that Respondent's collection efforts resulted in the collection of at least \$511.12 from at least two of the nine Idaho debtors.

### **FINDINGS**

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

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

13. Idaho Code § 26-2223 provides as follows, in pertinent part:

**26-2223. Collection agency, debt counselor, or credit counselor permits.** – No person shall without complying with the terms of this act and obtaining a permit from the director:

(1) Operate as a collection agency, debt counselor, credit counselor, or credit repair organization 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.

...

14. “Collection agency” means a person who engages in any of the activities enumerated in subsections (1) or (2) of Idaho Code § 26-2223, which are set forth in the previous paragraph.

15. Respondent’s acts of engaging in collection activities in Idaho without a license, as referenced above, constitute violations of Idaho Code § 26-2223(1) and –(2), as set forth in paragraphs 13 and 14 above. Each act of collecting constitutes a separate violation.

#### REMEDIES

16. Respondent admits to violations of Idaho Code § 26-2223(1) and –(2), as referenced above.

17. Respondent agrees to immediately cease and desist from engaging in any and all collection activities in Idaho, to include collecting or receiving payment for others of any account, bill, claim or other indebtedness; 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 \$1,000 as an administrative penalty in settlement of the violations contained herein, and an additional amount

of \$500 constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of \$1,500, by no later than November 11, 2015.

19. When Respondent has executed this Consent Order and timely paid to the Department the \$1,500 payment referenced in paragraph 18 above, the Department agrees to accept and consider the license application already submitted by Respondent. Further, the Department agrees that it will not consider 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 4<sup>th</sup> day of November, 2015.

THE LAW OFFICE OF CHARLES MIFSUD LLC  
d/b/a MLO GROUP

By: *[Signature]*  
Title: Managing member

DATED this 16<sup>th</sup> day of November, 2015.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

*[Signature]*  
MICHAEL LARSEN  
Consumer Finance Bureau Chief

**IT IS SO ORDERED.**

DATED this 16<sup>th</sup> day of NOVEMBER, 2015.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

*[Signature]*  
GAVIN M. GEE  
Director



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 16<sup>th</sup> day of November, 2015, I served a true and correct copy of the foregoing CONSENT ORDER upon the following by the designated means:

Law Offices of Charles Mifsud LLC dba  
MLO Group  
Attn: Brian Gianangeli, Compliance  
6305 Emerald Parkway  
Dublin, OH 43016

U.S. mail, postage prepaid  
 Certified mail  
 Facsimile: (614) 389-2294  
 Email: bgianangeli@mifsudlaw.com

Paralegal 