



NEWS RELEASE

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STATE FINANCE DEPARTMENT ORDERS POCATELLO COLLECTION AGENCY TO CEASE AND DESIST

Boise, Idaho – Gavin Gee, Director of the Idaho Department of Finance, announced today that the Department has issued an administrative Cease and Desist Order against Bannock Collections, Inc., a Pocatello-based collection agency.

The Department's Cease and Desist Order alleges that Bannock Collections, Inc. is engaging in unlicensed collection activities, has improperly used funds owed to clients, and has prepared a false or misleading report, in violation of the Idaho Collection Agency Act. The Order also alleges that Bannock Collections, Inc. has falsely represented itself to be an authorized financial institution, in violation of the Idaho Financial Fraud Prevention Act.

The Department's order requires Bannock Collections, Inc. to provide the Department with records of each creditor client account, all monies collected, and all disbursements made to clients. It further orders Bannock Collections, Inc. to immediately cease all collection activities in Idaho. The Department's Order also seeks civil penalties and restitution for any injured parties.

Director Gee stated that collection agencies doing business in Idaho must comply with the Idaho Collection Agency Act and the Idaho Financial Fraud Prevention Act. The requirements of those Acts, according to Gee, include maintaining a valid permit, complying with laws addressing the handling of client funds, and conducting business in an open, honest, and fair manner. "Failure to comply with such

requirements is a serious matter, requiring the Department to take enforcement action for the protection of the public.”

Director Gee also requested that clients of Bannock Collections, Inc. that have reason to believe they are owed money by that company, are urged to contact the Consumer Finance Bureau of the Department of Finance.

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