



NEWS RELEASE

For Immediate Release

September 17, 2009

Cease and Desist Orders Issued Against Two Companies Charging Advance Fees for Consumer Loans

Boise, Idaho . . . The Idaho Department of Finance has ordered two companies, **Hillside Financial Group and Outsource Credit Solutions, both allegedly located in Florida**, to cease and desist from lending activities in Idaho and from offering to arrange consumer loans that require the payment of an advance fee. The companies have never been licensed in Idaho to offer consumer loan services, as required by Idaho law. Additionally, during its investigation into the activities of the companies, the department found **Hillside** had charged an Idaho resident more than \$4,000 in advance fees for its loan services, and **Outsource** had charged an Idaho resident more than \$5,600 in advance fees for its loan services. Neither of the Idaho residents who paid these advance fees received any loan product from the companies.

In an effort to help consumers avoid fraud, the department cautions Idahoans about advance-fee loan scam artists. These frauds are especially unconscionable because they prey on our most vulnerable consumers – those who are out of work or who need money right away for emergencies.

“When economic times are tough, we often see a corresponding increase in financial scams perpetrated against Idaho consumers,” said Gavin Gee, director of the Department of Finance. “Idahoans should remain vigilant in order to protect themselves from fraud by reviewing the warning signs of an advance-fee loan scam.”

KNOW THE WARNING SIGNS OF AN ADVANCE FEE LOAN SCAM

▶ **A lender who guarantees you a loan regardless of your credit rating:**

A lender may offer loans for many purposes, but a lender that does not care about your credit rating should give you cause for concern.

▶ **You are asked to pay up-front fees in order to secure the loan:**

Any up-front fees that a lender wants to collect before granting a loan is a red flag to walk away – especially if the fees are packaged as costs for “insurance”, “processing”, or “taxes”. Fees paid for a loan may come after, but not before the loan is approved. This also applies to most fees for mortgage loan modification services.

▶ **A lender who is not licensed in your state:**

Lenders and loan brokers are required, in most cases, to be licensed to do business as a lender in Idaho. Check **FIRST** with the Department of Finance to see if the lender you are working with is licensed.

If you feel you may be the target of an advance fee loan fraud, seek additional information before you do business. Contact the department for assistance. The department provides information and tips on a variety of topics as well as resources which are available free of charge. That information as well as a department complaint form may be accessed at the following website address: <http://finance.idaho.gov> or by calling the department at 208-332-8000 or toll free, in Idaho, at 1-888-346-3378.