



Contact: Anthony Polidori
Supervising Examiner
Consumer Finance Bureau
(208) 332-8084

NEWS RELEASE

FOR IMMEDIATE RELEASE

August 10, 2017

Idaho Joins \$500,000 Multistate Settlement Over Improper Debt Collection Practices

(Boise) –The Idaho Department of Finance announced today that financial regulators from five states, including Idaho, have reached a joint settlement agreement with two subsidiaries of IQor Holdings Inc. for failure to comply with federal and state consumer protection laws related to debt collection practices.

The agreement requires corrective actions by the two companies, Allied Interstate, LLC, (Allied) and The Receivable Management Services Corporation (RMS), and a settlement payment of \$500,000, distributed equally among the five participating states, namely Idaho, Connecticut, Massachusetts, Minnesota, and North Dakota.

The settlement resulted from a multi-state compliance examination of debt collection practices of Allied and RMS. “While consumers have an obligation to pay their debts, collection agencies also have an obligation to treat debtors fairly and comply with federal and state debt collection laws,” said Acting Director of Finance Mary Hughes.

According to the allegations in the settlement agreement:

- During October-December 2015, Allied violated federal and state consumer protection requirements and its own compliance policies that limit contact with third parties or with consumers at their places of employment in an effort to meet revenue goals. Specifically, collection agents were directed to call phone numbers that had previously been marked as “Do Not Call” and to document the accounts “REHAB PUSH” to avoid potential disciplinary action.
- Allied engaged in unfair and deceptive practices by failing to promptly credit debtor accounts upon receipt of payment by check.
- Allied and RMS failed to provide state licensing authorities with timely, full access to all collection records, in violation of state laws and regulations. They also failed to submit complete responses to requested information in a timely manner, in violation of state laws and regulations.

Allied and RMS neither admit nor deny the allegations.

Collection agencies are required to be licensed in Idaho. Consumers can check the listing of licensed collection agencies on the department’s website at www.finance.idaho.gov.

Consumers can obtain information about financial firms, professionals or products, as well as view more Department press releases and other information on the Internet at www.finance.idaho.gov or by contacting the Department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.