

LAWRENCE G. WASDEN  
Attorney General

A. RENÉ MARTIN – I.S.B. #3188  
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  
[rene.martin@finance.idaho.gov](mailto:rene.martin@finance.idaho.gov)

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

STATE OF IDAHO, DEPARTMENT	)	
OF FINANCE, CONSUMER FINANCE	)	Docket No. 2009-9-23
BUREAU,	)	
	)	
Complainant,	)	<b>CONSENT ORDER</b>
	)	
vs.	)	
	)	
CAMBRIDGE ASSET MANAGEMENT,	)	
LLC	)	
	)	
Respondent.	)	
_____	)	

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

## RESPONDENT

1. The Respondent registered as a limited liability company in the state of Utah on December 16, 2008. The Respondent engages in business as a debt buyer. Its business address is 1010 N. 500 E. #100, North Salt Lake, Utah 84054. The Respondent's owners are Ranell Johnson and Heidi Mark, and Ms. Johnson and Ms. Mark are also members of the Respondent. The Respondent has never held a license under the Idaho Collection Agency Act.

## FACTS

2. After qualifying as a Utah limited liability company and sometime prior to September 11, 2009, the Respondent purchased debt which, when purchased, was delinquent or in default, which debt was to be collected in Idaho.

3. Apparently after or around the time of the Respondent's purchase of the debt referenced in paragraph 2 above, the Respondent entered into a retainer agreement with the law firm of Johnson, Riddle & Mark, LLC (the Law Firm), for the purposes of the Law Firm collecting in Idaho on the delinquent or defaulted debt purchased by the Respondent.

4. From approximately early May of 2009 through early September of 2009, the Respondent conducted collection activity in Idaho through the Law Firm, which included the Law Firm mailing demand letters to at least 49 Idaho consumers and initiating legal proceedings against at least 33 Idaho consumers, during which time the Respondent failed to hold a license authorizing it to engage in collection activities in Idaho under the Act.

5. After becoming aware of the licensing requirements of the Act, the Law Firm placed on hold its Idaho collection actions on the debt owned by the Respondent, and began communication with the Department concerning the licensure requirements of the Act as they apply to the Respondent's business.

6. On or about September 14, 2009, the Respondent submitted an application for a license under the Act to the Department.

### **FINDINGS OF VIOLATIONS**

#### *ENGAGING IN COLLECTION AGENCY ACTIVITY WITHOUT A LICENSE*

7. The allegations set forth in paragraphs 1 through 6 above are fully incorporated herein by this reference

8. 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.

...

(6) Engage or offer to engage in this state, directly or indirectly, in the business of collecting any form of indebtedness for that person's own account if the indebtedness was acquired from another person and if the indebtedness was either delinquent or in default at the time it was acquired.

...

9. As a debt buyer that purchased debt that was either delinquent or in default at the time it was purchased, Idaho Code § 26-2223(6) applies to the Respondent's collection activities in Idaho on such debt. The Law Firm's collection activities in Idaho on behalf of the Respondent as the Respondent's agent constitute the Respondent indirectly collecting on such debt in Idaho within the meaning of Idaho Code § 26-2223(6), and operating as a collection agency in Idaho within the meaning of Idaho Code § 26-2223(1).

10. The Respondent's acts of operating as a collection agency in Idaho and engaging in collection agency activity in Idaho without the license required by the Act, as referenced above, constitute violations of Idaho Code § 26-2223(1) and -(6). Each act of collecting in Idaho without a license constitutes a separate violation.

## REMEDIES

11. The Respondent admits to the allegations contained in this Consent Order.
12. Upon the execution of this Consent Order, and by no later than December 21, 2009, the Respondent agrees to pay to the Department an administrative penalty in the amount of \$3,000 and the amount of \$750 for investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of \$3,750 in penalties, fees and expenses.
13. Upon execution by the Respondent of this Consent Order and payment to the Department of the \$3,750 referenced in paragraph 12 above, the Department agrees to issue to the Respondent a collection agency license under the Act, provided that the Respondent has complied with all requirements for the issuance of such license under the Act.
14. The Respondent agrees to abide by all provisions of the Idaho Collection Agency Act, rules promulgated thereunder, and applicable federal laws and regulations at all times in the future.
15. The Respondent agrees that the findings of fact and violations contained herein may be used in any subsequent proceeding resulting from any breach by the Respondent of the terms of this Consent Order or future violations of the Act, rules promulgated thereunder, or applicable federal laws and regulations.
16. The Department agrees not to seek further penalties or fees for the violations identified in this Consent Order other than as set forth in the Remedies section of this Consent Order, as long as the Respondent fully complies with all the terms set forth herein.

167 The 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.

DATED this 14<sup>th</sup> day of December, 2009.

CAMBRIDGE ASSET MANAGEMENT, LLC

By: Randell Johnson  
Member  
Title

DATED this 17<sup>th</sup> day of December, 2009.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Michael Larsen  
MICHAEL LARSEN  
Consumer Finance Bureau Chief

**IT IS SO ORDERED.**

DATED this 17<sup>th</sup> day of December, 2009.



STATE OF IDAHO  
DEPARTMENT OF FINANCE

Gavin M. GEE  
GAVIN M. GEE, Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 18 day of December, 2009, I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be served on the following by the designated means:

Cambridge Asset Management, LLC  
Attn: Ranell Johnson, Owner and Member  
1010 N. 500 E. #100  
North Salt Lake, UT 84054

- U.S. mail, postage prepaid
- certified mail
- facsimile \_\_\_\_\_

  
\_\_\_\_\_  
Paralegal