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

STATE OF IDAHO, DEPARTMENT OF)
FINANCE, CONSUMER FINANCE)
BUREAU,)
)
Complainant,)
)
vs.)
)
AMERICA'S RECOVERY SOLUTIONS,)
LLC, an Ohio limited liability company,)
)
Respondent.)
_____)

Docket No. 2011-9-07

CONSENT ORDER

The Director of the State of Idaho, Department of Finance, Consumer Finance Bureau (Director) has conducted a review of the collection activities in Idaho of AMERICA'S RECOVERY SOLUTIONS, LLC (the Respondent). Pursuant to such 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 was originally formed as an Ohio limited liability company on July 20, 2007 as “America’s Recovery Solutions, Ltd.,” and later changed its name to “America’s Recovery Solutions, LLC” on or about March 26, 2009. The Respondent conducts business as a collection agency in Idaho from 103 Milan Avenue, Suite 2, Amherst, Ohio 44001-1414. Arthur G. Foster is the Respondent’s president/CEO, and Thomas G. Culkar and Frank M. Winters are the Respondent’s members.

FACTS

2. From May 13, 2009 through March 15, 2010, the Respondent held Idaho Collection Agency License No. CCA 7632, authorizing it to engage in collection activities in Idaho.

3. 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.

4. The Respondent failed to meet the requirements for renewing its Idaho collection agency license by March 15, 2010.

5. On March 24, 2010, the State of Idaho, Department of Finance, Consumer Finance Bureau (Department) sent a letter to the Respondent at its address of record with the Department informing the Respondent that its Idaho collection agency license was cancelled by

operation of law on March 16, 2010, due to the Respondent's failure to comply with the renewal requirements of the Act by March 15, 2010. That letter also notified the Respondent that it was prohibited from engaging in collection agency activities in Idaho without holding a license issued under the Act.

6. On December 13, 2010, the Respondent submitted to the Department an application for a new Idaho collection agency license.

7. On December 27, 2010, after reviewing the Respondent's December 13, 2010 license application, the Department notified the Respondent via e-mail that its license application was deficient in several respects. Additionally, the Department's e-mail requested that the Respondent submit information to the Department concerning its collection activities in Idaho after its Idaho collection agency license had been cancelled effective March 15, 2010. The Department gave the Respondent thirty (30) days to cure the deficiencies contained in its license application, and again warned the Respondent that it was not authorized to engage in collection activities in Idaho until such time as it was issued a license under the Act.

8. On or about January 26, 2011, the Department received a response to its December 27, 2010 deficiency notice. Such response included information showing that the Respondent had continued collecting against Idaho residents after its Idaho collection agency license had been cancelled for failure to renew on March 15, 2010. The Department concluded from the information provided by the Respondent that the Respondent had engaged in unlicensed collection activities in Idaho against at least seventy-one (71) Idaho residents between March 16, 2010 and at least January 17, 2011, which activities resulted in the Respondent's collection of at least one thousand five hundred seventy-one dollars and fifty-eight cents (\$1,571.58). From that

amount, the Respondent retained five hundred ninety-seven dollars and twenty cents (\$597.20) in fees.

FINDINGS

ENGAGING IN UNLICENSED COLLECTION ACTIVITIES IN IDAHO

9. The allegations set forth in paragraphs 1 through 8 above are fully incorporated herein by this reference.

10. 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.

(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.

...

11. “Collection agency” means a person who engages in any of the activities enumerated in subsections (2) through (6) of Idaho Code § 26-2223, which are set forth in part in the previous paragraph.

12. The Respondent’s acts of engaging in collection activities in Idaho without a license, as referenced in paragraph 8 above, constitute violations of Idaho Code § 26-2223(1) and –(2), as set forth in paragraphs 10 and 11 above. Each act of collecting against an Idaho resident constitutes a separate violation.

REMEDIES

13. The Respondent admits to violations of Idaho Code § 26-2223(1) and –(2) by operating as a collection agency in Idaho and collecting or receiving payments for others of any account, bill, claim or other indebtedness, while not licensed under the Act, as referenced above.

14. The Respondent agrees to immediately cease and desist from engaging in any and all collection activities in Idaho, to include 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.

15. The Respondent agrees to pay to the Department the sum of one thousand dollars (\$1,000) as an administrative penalty in settlement of the violations contained herein, and an additional amount of one thousand dollars (\$1,000) constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of two thousand dollars (\$2,000), by no later than April 15, 2011.

16. When the Respondent has executed this Consent Order and timely paid to the Department the two thousand dollar (\$2,000) payment referenced in paragraph 15 above, the Department agrees to accept and consider the license application already submitted by the Respondent. Further, the Department agrees that it will not consider this Consent Order as the basis for denial of the Respondent's license application.

17. The 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.

18. The Department agrees not to seek further penalties or fees from the Respondent for the violations addressed in this Consent Order, other than as set forth in paragraph 15 above, if the Respondent timely and fully complies with all provisions of this Consent Order.

19. 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.

20. The Respondent acknowledges and understands that should the Department learn of additional violations by the Respondent of the Act, rules promulgated under the Act, or applicable federal laws and regulations relating to the Respondent's collection activities in Idaho, the Department may pursue further legal action and seek additional remedies.

DATED this 13TH day of APRIL, 2011.

AMERICA'S RECOVERY SOLUTIONS, LLC

By: [Signature]

Title: PRESIDENT & CEO

DATED this 15th day of April, 2011.

STATE OF IDAHO
DEPARTMENT OF FINANCE

[Signature] For M. Larsen
MICHAEL LARSEN
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 15TH day of April, 2011.



STATE OF IDAHO
DEPARTMENT OF FINANCE


[Signature]
GAVIN M. GEE
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18 day of April, 2011, I served a true and correct copy of the foregoing CONSENT ORDER upon the following by the designated means:

America's Recovery Solutions, LLC
Attn: Arthur G. Foster, President/CEO
103 Milan Ave., Ste. 2
Amherst, OH 44001-1414

- U.S. mail, postage prepaid
- Certified mail
- Facsimile
- Email



Paralegal