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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,)

Docket No. 2012-9-01

Complainant,)

ORDER TO CEASE AND DESIST

vs.)

CAMBRIDGE HUXLEY &)
ASSOCIATES, LLC, a New York limited)
liability company,)

Respondent.)

The State of Idaho, Department of Finance (Department), pursuant to the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act), hereby alleges the following facts that constitute a basis for the issuance of an order pursuant to § 26-2244(1) of the Act, requiring CAMBRIDGE HUXLEY & ASSOCIATES, LLC (Respondent), to immediately cease and desist from violating the Act.

RESPONDENT

1. Respondent is a New York limited liability company formed on February 25, 2009. It appears that Respondent conducts business from 3840 E. Robinson Road, Suite 243,

Amherst, New York 14228 and from 85 Northpointe Parkway, Suite 6, Amherst, New York 14228. Respondent represents on its Internet web page at that it is “a well established (sic) debt collection firm that provides services to both individuals and businesses. ... Our staff remains on the cutting edge of collections law and financial trends.”

FINDINGS OF FACT

SUMMARY

2. During the time period between at least December 2009 and October 2011, Respondent, through its agents or employees, engaged in collection activities in Idaho while not licensed under the Act to do so, which collection activities were directed to at least three (3) Idaho residents. State of Idaho, Department of Finance, Consumer Finance Bureau (Department) staff sent letters to Respondent concerning each of the complaints in an attempt to address Respondent’s apparent violations of the Act. In each letter, Respondent was notified by the Department of the requirement that it must maintain a license under the Act to engage in collection activities in Idaho, and the sanctions for failure to do so. Further, such letters informed Respondent of the process to obtain a license under the Act. To date, Respondent has not responded to any Department communications regarding the apparent unlicensed collection activity in Idaho.

COMPLAINANT V.L.

3. On or about December 30, 2009, the Department received a complaint from Idaho resident V.L. In such complaint, V.L. asserted that in or around early December 2009, she was contacted by “Miss Kingston,” a representative of Respondent regarding a debt purportedly owed by V.L. on behalf of a third party.

4. After the conversation with "Miss Kingston," V.L. contacted the Department to inquire about whether Respondent maintained an Idaho collection agency license. A Department staff person instructed V.L. to ask Respondent for its Idaho license information.

5. In or around late December 2009, V.L. contacted Respondent twice to get its Idaho license information. Respondent asserted that it did not need an Idaho license since the State of New York did not require it to have a license to engage in collection activities. Since that time, Respondent has not attempted to contact V.L. regarding the debt purportedly owed by V.L.

COMPLAINANT T.F.

6. On or about July 30, 2010, the Department received a complaint from Idaho resident T.F. In such complaint, T.F. asserted that in or around November 2009, T.F. obtained a payday loan in the amount of \$500. T.F. made bi-monthly payments of \$125 towards that payday loan until February 2010.

7. In or around July 2010, Joe Blando, a representative of Respondent, contacted T.F. regarding the payday loan T.F. obtained in November 2009 and asserted that T.F. owed additional money on that payday loan. During that conversation, Mr. Blando informed T.F. that if T.F. did not pay Respondent \$1,143 by July 30, 2010 at 9:30 a.m. eastern time, Respondent would file two felony check fraud charges against him. T.F. provided his bank account information to Respondent at that time, and requested that Respondent allow him to make other arrangements to pay the amount due rather than a lump sum payment. Mr. Blando informed T.F. that the only option available to T.F. was to pay the total amount by July 30, 2010 or face a third felony check fraud charge.

8. On or about September 9, 2010, the Department became aware of an administrative Cease and Desist Order issued by the State of Minnesota, Department of Commerce against Respondent on July 29, 2010 (the Minnesota Order). The Minnesota Order alleged that Respondent was engaging in actions similar to those described by Idaho resident T.F.

COMPLAINANT M.P.

9. On or about November 16, 2011, the Department received another complaint concerning Respondent's collection activities in Idaho, this time from Idaho resident M.P. The complaint was first made to the Idaho Attorney General's Office and then referred by that office to the Department. In such complaint, M.P. asserted that she was contacted by Phillis Jackson, a representative of Respondent regarding a debt purportedly owed by M.P. While the M.P. recognized the name of the creditor Respondent was collecting on behalf of, M.P. felt that the amount being collected was incorrect. However, M.P. agreed to give Respondent her bank account information to pay the alleged debt.

10. After speaking with Ms. Jackson, M.P. saw a news report regarding Respondent's business activities. Such report claimed the company was a scam. At that time, M.P. closed her bank account, so that Respondent would not be able to withdraw funds to pay the debt.

11. Because M.P. had closed her bank account, Respondent was unable to withdraw the funds M.P. had agreed to pay towards the debt purportedly owed by M.P. As a result, Respondent began contacting M.P. numerous times, telling M.P. that if she does not pay the alleged debt, Respondent will file felony criminal charges against her. Further, Respondent is leaving threatening messages for M.P.

12. Further, Respondent refuses to provide M.P. with any documentation validating the debt purportedly owed by M.P.

UNLICENSED ACTIVITY

13. Department staff reviewed its records on file and found that at all relevant times, Respondent was not licensed with the Department nor had it ever applied with the Department for any license under the Act, to include a license authorizing it to engage in the collection business in Idaho.

CONCLUSIONS OF LAW AND VIOLATIONS

COUNTS ONE THROUGH THREE: UNLICENSED COLLECTION ACTIVITY IN IDAHO

14. The allegations set forth in paragraphs 1 through 13 above are fully incorporated herein by this reference.

15. 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, debt counselor, credit counselor, or credit repair organization 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.

...

(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.

16. "Collection activities" is defined in Idaho Code § 26-2222(3) as the activities enumerated in Idaho Code § 26-2223.

17. Respondent's acts of engaging in collection activities in Idaho without a license, as referenced in paragraphs 3 through 13 above, constitute violations of Idaho Code § 26-

2223(1), -(2), and -(6) as set forth in paragraph 15 above. Each contact of Idaho residents by Respondent for the purposes of collection constitutes a separate violation.

*COUNTS FOUR THROUGH SEVEN:
VIOLATIONS OF THE FEDERAL FAIR DEBT COLLECTION PRACTICES ACT*

18. The allegations set forth in paragraphs 1 through 13 above are fully incorporated herein by this reference.

19. Idaho Code § 26-2229A provides as follows, in pertinent part:

(1) Every licensee or person required to be licensed under this act and its agents shall deal openly, fairly, and honestly without deception in the conduct of its business activities in this state under this act.

(2) When not inconsistent with the statutes of this state, the provisions of the federal fair debt collection practices act, 15 U.S.C. section 1692, *et seq.*, as amended, may be enforced by the director against collection agencies licensed or required to be licensed under the provisions of this act.

20. The federal Fair Debt Collection Practices Act (FDCPA), at 15 U.S.C. 1692e, provides that a debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. It is a violation of the FDCPA to give the false representation of the character, amount, or legal status of any debt. 15 U.S.C. 1692e(2)(A).

21. Respondent's acts of claiming that Idaho residents owed more debt than they actually owed, as referenced in paragraphs 7 through 13 above, constitute violations of 15 U.S.C. 1692e(2)(A). Such provision may be enforced by the Director, pursuant to Idaho Code § 26-2229A(1), as set forth in paragraph 19 above.

22. The FDCPA provides that acts which represent or imply that nonpayment of any debt will result in the arrest or imprisonment of any person is a violation of § 1692e of the FDCPA.

23. Respondent's acts of representing to Idaho residents that failure to make payment towards debt owed by those residents will result in felony criminal charges, as referenced in

paragraphs 7 through 13 above, give the impression that those residents could be arrested or face imprisonment. Such implications constitute violations of 15 U.S.C. 1692e(4). That provision may be enforced by the Director, pursuant to Idaho Code § 26-2229A(1), as set forth in paragraph 19 above.

REQUESTED RELIEF

24. Idaho Code § 26-2244(1) provides that whenever it appears to the Director that it is in the public interest, he may order any person to cease and desist from acts, practices, or omissions which constitute a violation of the Act.

ORDER

The Director, having reviewed the foregoing, good cause being shown, and the public interest being served thereby,

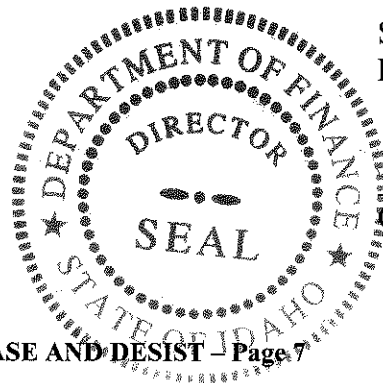
NOW, THEREFORE, the Director HEREBY FINDS that Respondent has violated the Idaho Collection Agency Act as set forth above.

Pursuant to Idaho Code § 26-2244(1), IT IS HEREBY ORDERED that Respondent and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which constitute a violation of the Act, including specifically from engaging in collection activity in Idaho without the license required by the Act.

This ORDER TO CEASE AND DESIST is effective upon issuance.

IT IS SO ORDERED.

DATED this 13TH day of FEBRUARY, 2012.



STATE OF IDAHO
DEPARTMENT OF FINANCE


GAVIN M. GEE, Director

NOTICE

Respondent is HEREBY NOTIFIED that this ORDER TO CEASE AND DESIST is a final order of the Director.

Respondent may file a motion for reconsideration or request for hearing concerning this final order within fourteen (14) days of the service date of this order. Any such motion for reconsideration or request for hearing must be in writing, addressed to:

Michael Larsen
Consumer Finance Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of such motion for reconsideration or request for a hearing shall also be served on the Department's counsel, Brian D. Nicholas, Deputy Attorney General, at the same address.

The Department will dispose of a motion for reconsideration within twenty-one (21) days of the receipt of a motion for reconsideration, or the motion will be considered denied by operation of law. Idaho Code § 67-5246(4); Idaho Rules of Administrative Procedure of the Attorney General (IRAP) at IDAPA 4.11.01.740.02.a. Should Respondent make a timely request for a hearing, the Department shall schedule a hearing within the twenty-one (21) day time period.

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal to the district court by filing a petition in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or

iv. The real property or personal property that was the subject of the agency action is located.

See IDAPA 04.11.01.740.02.b.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration or schedule a hearing, whichever is later. See Idaho Code § 67-5273. The filing of an appeal to the district court does not itself stay the effectiveness or enforcement of the order under appeal. See IDAPA 04.11.01.740.02.c.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 14 day of February, 2012, I caused a true and correct copy of the foregoing fully-executed ORDER TO CEASE AND DESIST to be served on the following by the designated means:

Cambridge Huxley & Associates, LLC
3840 E. Robinson Rd., Ste. 243
Amherst, NY 14228

U.S. mail, postage prepaid
 Certified mail
 Facsimile: (716) 260-1258
 Email: info@cambridgehuxleyll.com

Cambridge Huxley & Associates, LLC
85 Northpointe Parkway, Ste. 6
Amherst, NY 14228

U.S. mail, postage prepaid
 Certified mail
 Facsimile: _____
 Email: _____



Paralegal