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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.

DCN HOLDINGS, INC. dba
ACCOUNTSRECEIVABLE.COM,

RESPONDENT.

Docket No. 2021-9-06

CONSENT ORDER

The Complainant State of Idaho, Department of Finance through its Consumer Finance Bureau (Department) and DCN HOLDINGS, INC. dba ACCOUNTSRECEIVABLE.COM (Respondent), (collectively the Parties) hereby agree to the following and to the entry of this Consent Order by the Director to resolve the issues raised in the Order to Cease and Desist entered December 15, 2021. The Parties further agree that this Consent Order shall supersede the Order to Cease and Desist. This Consent Order is entered into pursuant to the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act).

FACTS AND CONCLUSIONS OF LAW

1. The Director of the Idaho Department of Finance (Director) has jurisdiction over this matter.

2. The Respondent is a Florida based corporation, which holds a commercial collection license through the Florida Office of Financial Regulation. From information filed with the Florida Secretary of State, the Respondent lists its principal address as 1806 33rd Street, Suite 180, Orlando, Florida. Karla L. Brown is identified as the Respondent's president and registered agent.

3. The Respondent has never applied for, nor ever been, issued any license under the Act.

4. The Department previously issued an Order to Cease and Desist Docket No. 2019-9-02 against the Respondent on February 11, 2019, for engaging in unlicensed collection activity in the State of Idaho. The Respondent did not file a response or request a hearing in that matter.

5. On September 9, 2021, Idaho resident, K.K. filed a complaint with the Department regarding the Respondent's collection activity against him.

6. In his complaint, K.K. stated that he received a collection letter and a phone call from the Respondent regarding a past due invoice that K.K. allegedly had with one of the Respondent's clients.

7. The letter, a copy of which was included with K.K.'s complaint, was dated August 17, 2021, and stated that it was attempting to collect a debt and that K.K. could "clear [his] account immediately by sending...payment in full."

8. K.K. stated that after receiving the letter on August 26, 2021, a representative for the Respondent, "William Brown," called him and attempted to collect on the alleged debt. K.K. went on further to indicate that Mr. Brown told him if he didn't pay the balance that the Respondent's client claimed K.K. owed, the Respondent would "see [him] in court."

9. On September 22, 2021, the Department sent a certified letter to the Respondent requesting all of the Respondent's documents relating to the alleged debt owed by K.K. The Department also directed the Respondent to cease all collection activities in Idaho and to provide information necessary for the Department to determine the extent of the Respondent's unlicensed debt collection activities in Idaho. Further, that letter advised the Respondent of the license requirement for engaging in collection activities regulated under the Act in Idaho and informed the Respondent of the possible sanctions under the Act for unlicensed activity. The letter also informed the Respondent of the process for obtaining a license. The Department required that the Respondent provide all of the requested information by October 8, 2021. No response was received by the Department and, according to the certified tracking receipt, the letter was "refused" upon delivery on September 27, 2021.

10. On December 15, 2021, the Director issued the Default Order to Cease and Desist, which was served on the Respondent DCN Holding, Inc. via first class and certified mail and facsimile and Karla Brown, via first class and certified mail also on December 15, 2021.

11. Respondent contacted the Department in late February 2021 regarding the Default Order to Cease and Desist.

12. The Parties knowingly and voluntarily agree to the contents of and to the entry of this Consent Order to resolve the issues raised herein and to obviate the need for any further

proceedings, and the Department and Respondent further waive their rights to a hearing before the Director, to present evidence, and to seek any further review of the entry of this final Consent Order.

13. Idaho Code § 26-2223 provides as follows, in pertinent part:

26-2223. Collection agency, debt counselor, or credit counselor permits.

– 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.

* * *

(5) Engage in any activity in this state which indicates, directly or indirectly, that a third party is or may be involved in effecting any collections.

14. Per Idaho Code § 26-2222(4), the term “collection agency” “means a person who engages in any of the activities enumerated in subsections (2) through (6)” of Idaho Code § 26-2223, the language in subsections (2) and (5) of which are set forth in the previous paragraph.

15. The Parties agree that Respondent’s acts of engaging in debt collection activity in Idaho without a license to do so, as referenced above, constitute a violation of Idaho Code § 26-2223(1), (2), and (5).

16. The Parties agree that Respondent’s conduct may also have violated Idaho Code § 26-2223(3), which provides that “no person shall...[s]olicit or advertise in this state to collect

or receive payment for another of any account, bill, claim or other indebtedness” without a license issued under the Act.

17. The Respondent maintains a website at accountsreceivable.com. At the “About Us” page on the Respondent’s website, the Respondent states the following:

LICENSING

DCN Holdings, Inc. DBA AccountsReceivable.com is compliant with all state licensing requirements.

This Parties agree that this statement is false.

18. The Director is authorized pursuant to Idaho Code § 26-2244 to order:
- a. any person to cease and desist from acts or practices that constitute a violation of the Act,
 - b. the imposition of a civil penalty of \$5,000 for each violation of any provision of the Act,
 - c. that the person violating the act pay costs including reasonable attorney fees and reimbursement of investigative efforts.

19. The Respondent agrees that it will refrain from conducting any activity that would constitute collection activity in Idaho requiring a license under the Act unless and until it is properly licensed to do so. The Department agrees that should Respondent apply for a license under the Act, it will process the application in the normal course, and that this Consent Order and the activity giving rise to it shall not constitute a bar to licensure of Respondent.

20. 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.

REMEDIES

1. Respondent admits to the allegations set forth above in this Consent Order.

2. Respondent represents that it has and continues to agree to cease and desist from engaging in any and all collection activities in Idaho, to include providing collection agency services or otherwise conduct activity described in the Act until such time as it obtains a license under the Act authorizing it to do so.

3. Respondent agrees to pay to the Department the sum of two thousand and five hundred dollars (\$2,500) as an administrative penalty in settlement of the violations contained herein. This payment fully satisfies the penalty.

4. Once Respondent has executed this Consent Order and timely paid to the Department the two thousand and five hundred dollars (\$2,500) referenced above, the Department agrees to accept and consider the license application of Respondent, and further agrees that it will not use this Consent Order as the basis for denial of Respondent's license application.

5. 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.

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

7. 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.

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

9. The Parties agree that the Default Order to Cease and Desist issued December 15, 2021, against Respondent is no longer of any effect and is hereby superseded and replaced by this Consent Order.

DATED this 2nd day of March, 2022.

DCN Holdings, Inc.

By: Karla Brown

Karla L. Brown

(Printed name)

Title: President

DATED this 2nd day of March, 2022.


Karla Brown

Karla Brown

Individually and as the Registered Agent for DCN Holdings, Inc.

DATED this 2nd day of March, 2022.

STATE OF IDAHO
DEPARTMENT OF FINANCE



Erin Van Engelen
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED and EFFECTIVE this 3rd day of March, 2022.



STATE OF IDAHO
DEPARTMENT OF FINANCE

A handwritten signature in cursive script, reading "Patricia R. Perkins", written over a horizontal line.

PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 3rd day of March, 2022, I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be served on the following by the designated means:

DCN Holdings, Inc. [] U.S. mail, postage prepaid
Dba AccountsReceivable.com [] certified mail
1806 33rd St. Suite 180 [] facsimile:
Orlando, FL 32839 [] email:

Karla Brown [] U.S. mail, postage prepaid
Registered Agent for DCN Holdings, [] certified mail
Inc. [] facsimile:
1806 33rd St., Suite 180 [] email: john@nejamelaw.com
Orlando, FL 32839

John W. Zielinski, Esquire [] U.S. mail, postage prepaid
NeJame Law [] certified mail
189 South Orange Avenue [] facsimile:
Suite 1800 [] email: john@nejamelaw.com
Orlando, Florida 32801

Erick M. Shaner [] U.S. mail, postage prepaid
Dept. of Finance [] certified mail
PO BOX 83720 [] facsimile:
Boise, ID 83720-0031 [] email: erick.shaner@finance.idaho.gov



Paralegal