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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.

INVESTMENT RETRIEVERS, INC., a
California corporation,

Respondent.

Docket No. 2017-9-03

**SETTLEMENT AGREEMENT AND
CONSENT ORDER**

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the collection activities conducted in Idaho by INVESTMENT RETRIEVERS, INC. (Respondent) and alleges that Respondent has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act). The Director and Respondent have agreed to amicably resolve this matter through this Settlement Agreement and 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 Settlement Agreement and Consent Order be entered.

Respondent voluntarily consents to the entry of this Settlement Agreement and Consent Order without finding of liability and without admitting or denying the Director's allegations herein.

RESPONDENT

1. Respondent was formed as a California corporation on September 26, 2001, and conducts business as a debt buyer and collection agency from 950 Glenn Drive, Suite 160, Folsom, California 95630. Joel Cohen is Respondent's president.

2. Respondent has never applied for nor ever held a license under the Idaho Collection Agency Act, authorizing it to engage in collection activities in Idaho.

FACTS

3. On November 18, 2016, the Department received a complaint from Idaho resident R.W. regarding Respondent's unlicensed collection activity in Idaho. R.W. provided copies to the Department of correspondence he received from Respondent as well as copies of payments that he made to Respondent.

4. After receiving the complaint, a Department staff member confirmed that Respondent did not hold a license under the Act, and opened an investigation into Respondent's possible unlicensed collection activity in Idaho.

5. On December 9, 2016, the Department sent a letter to Respondent advising it of the licensing requirement of the Act and the sanctions for failing to comply with such requirement. It also required Respondent to cease all collection activity in Idaho until it became licensed to do so. The letter further requested that Respondent provide information concerning all of its collection activities in Idaho. The letter required Respondent to respond by December 30, 2016.

6. On December 19, 2016, Respondent's counsel contacted the Department and requested an extension to reply to the Department's letter and request for information. The Department agreed to the extension.

7. On January 19, 2017, the Department received a response to its December 9, 2016, letter. Respondent's counsel indicated in its reply that as of January 19, 2017, Respondent owned 252 Idaho consumer and commercial collection accounts. The letter also stated that since July 1, 2008, Respondent had received payments on 61 Idaho accounts.

8. Along with its written response, Respondent's counsel provided a copy of the Bill of Sale, dated May 27, 2014, between the original creditor on R.W.'s delinquent account and Respondent.

9. Based on information provided to the Department regarding Respondent, the Department concludes that Respondent has made at least 61 collection attempts in Idaho without a license to do so as required under the Act.

ALLEGED VIOLATIONS

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

11. 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.

...

(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.

...

12. "Collection agency" means a person who engages in any of the activities enumerated in subsections (1), (2), or (6) of Idaho Code § 26-2223, which are set forth in the previous paragraph.

13. Respondent's alleged acts of engaging in collection activities in Idaho without a license, as referenced above, constitute violations of Idaho Code § 26-2223(1), (2), and (6) as set forth in paragraphs 11 and 12 above. Each alleged act of collecting constitutes a separate violation.

REMEDIES

14. Respondent agrees that it will not engage in any collection activities in Idaho without a license. This includes collecting or receiving payment for others of any account, bill, claim or other indebtedness; 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. Respondent agrees to pay to the Department the sum of two thousand dollars (\$2,000) as an administrative penalty in settlement of the alleged violations contained herein, and an additional amount of five hundred dollars (\$500) constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of two thousand five hundred dollars (\$2,500), by no later than October 11, 2017.

16. When Respondent has executed this Settlement Agreement and Consent Order and timely paid to the Department the twenty-five hundred dollar (\$2,500) payment referenced in paragraph 15 above, the Department agrees to accept and consider a license application submitted by Respondent. Further, the Department agrees that it will not consider this Settlement Agreement and Consent Order as a basis for denial of Respondent's license application.

17. 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 Respondent for the alleged violations addressed in this Settlement Agreement and Consent Order, other than as set forth in paragraph 15 above, if Respondent timely and fully complies with all provisions of this Settlement Agreement and Consent Order.

19. Respondent acknowledges and understands that this Settlement Agreement and 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. Respondent acknowledges and understands that should the Department learn of additional alleged 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.

DATED this 22nd day of September, 2017.

INVESTMENT RETRIEVERS, INC.

By: *Kevin Kuo*

Title: CCO

DATED this 6th day of October, 2017.

STATE OF IDAHO
DEPARTMENT OF FINANCE

Michael Larsen

MICHAEL LARSEN
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 6th day of October, 2017.

STATE OF IDAHO
DEPARTMENT OF FINANCE

Michael Larsen / GEE

GAVIN GEE, Director



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 6th day of October, 2017, I caused a true and correct copy of the foregoing fully-executed SETTLEMENT AGREEMENT AND CONSENT ORDER to be served on the following by the designated means:

INVESTMENT RETRIEVERS, INC.
950 Glenn Drive, Suite 160
Folsom, CA 95630

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

Julian Dayal
AKERMAN, LLP
71 S Wacker Drive, 46th Floor
Chicago, IL 60606

- U.S. mail, postage prepaid
- Certified mail
- Facsimile:
- Email: Julian.dayal@akerman.com

Paralegal