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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. 2010-9-14
)	
Complainant,)	CONSENT ORDER
)	
vs.)	
)	
MAGIC VALLEY CREDIT REPAIR, LLC)	
)	
Respondent.)	

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the credit repair activities conducted in Idaho by MAGIC VALLEY CREDIT REPAIR, 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 is an Idaho limited liability company that provides credit repair services to consumers. The Respondent conducts its credit repair business from 409 Shoshone Street South #1, Twin Falls, Idaho 83301. Angela Dawn Hickmon is the Respondent's CEO and Amy Jane Barendregt is the Respondent's CFO/Vice President.

2. The Respondent has never held a license under the Idaho Collection Agency Act.

FACTS

3. On or about March 3, 2010, the State of Idaho, Department of Finance, Consumer Finance Bureau (Department) received a telephone inquiry regarding the Respondent's licensing status. A Department staff member noted that the Respondent failed to hold a license under the Act, and opened an investigation into the Respondent's possible unlicensed credit repair activities.

4. On or about March 5, 2010, a Department investigator contacted Angela Hickmon, the Respondent's CEO. Ms. Hickmon contended that the Respondent was properly licensed under the Act to engage in credit repair. However, the Respondent was not licensed. After a discussion with the investigator, Ms. Hickmon realized that the Respondent was not licensed under the Act to engage in credit repair, and expressed a desire to become properly licensed. At or around that time, Ms. Hickmon began working with the Department to properly license the Respondent's business.

5. From the Department's investigation of the Respondent's credit repair activities in Idaho, it determined that the Respondent had offered and provided credit repair services in Idaho from January 22, 2010 to at least May 5, 2010. During that time period, the Respondent contracted with at least eight (8) Idaho residents to provide credit repair services, and accepted

approximately \$1,175 in fees for credit repair services from all of such Idaho residents. All such fees were collected by the Respondent from its credit repair customers prior to the Respondent's full performance of the services to be performed.

6. The Respondent filed an initial application for licensure under the Act on April 22, 2010 and has been working with the Department to cure all licensing deficiencies.

FINDINGS OF VIOLATION

COUNT ONE: UNLICENSED CREDIT REPAIR ACTIVITY

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

8. Idaho Code § 26-2222(5) defines "credit repair organization" as any person engaged in any of the activities enumerated in Idaho Code § 26-2223(8).

9. Idaho Code § 26-2223(8), 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:

...
(8) Engage or offer to engage in this state in the business of selling, providing or performing services to improve any consumer's credit record, credit history or credit rating, or providing advice or assistance to any consumer with regard to his credit record, credit history or credit rating.

10. The Respondent's acts of engaging in credit repair activity Idaho as referenced in paragraph 5 above, while the Respondent failed to maintain the license required by the Act, constitute violations of Idaho Code § 26-2223(8). Each act of engaging in credit repair activity while not licensed constitutes a separate violation.

*COUNT TWO: CHARGING FOR SERVICES BEFORE SUCH SERVICES
ARE FULLY PERFORMED*

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

12. Idaho Code § 26-2229A(8) provides as follows, in pertinent part:

26-2229A. Requirement of fair, open and honest dealing -- Prohibited practices.

...

(8) No credit repair organization licensed, or required to be licensed under this act, shall charge or receive money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed.

13. The Respondent's acts of receiving fees from Idaho clients for credit repair services that were not fully performed, as referenced in paragraph 5 above, constituted violations of Idaho Code § 26-2229A(8). Each separate act of collecting fees for credit repair services not fully performed constituted a separate violation

REMEDIES

14. The Respondent admits to the allegations contained in this Consent Order.

15. The Respondent agrees that it will refund to all Idaho clients, whether their accounts are open or closed, all fees ever charged to such clients for the Respondent's credit repair services. Such refunds shall be completed by no later than November 1, 2010, and the Respondent shall certify and provide proof to the Department's satisfaction that such refunds have been made.

16. The Respondent agrees to immediately **cease and desist** from all credit repair activity in Idaho until such time as it obtains the appropriate license under the Act to authorize it engage in such activities in Idaho.

17. Upon the execution of this Consent Order, and by no later than December 1, 2010, the Respondent agrees to pay to the Department an administrative penalty in the amount of one thousand dollars (\$1,000) and the amount of five hundred dollars (\$500) for attorney fees and investigative expenses incurred by the Department in pursuing this matter, for a total payment to the Department for penalties, fees and expenses in the amount of fifteen hundred dollars (\$1,500). The Respondent agrees to pay such sum in monthly payments of five hundred dollars (\$500) due by no later than the 1st day of each month, with the first payment to begin on December 1, 2010. Such five hundred dollar (\$500) payments shall continue each and every month until fifteen hundred dollars (\$1,500) is paid in full. Should the Respondent fail to pay any monthly payment due pursuant to this Consent Order, the Department reserves the right to reopen this matter and pursue whatever sanctions it deems appropriate under the circumstances.

18. Once the Respondent has fully and timely complied with all requirements of this Consent Order, the Department agrees to consider the Respondent's application for a license under the Act authorizing it to engage in credit repair activity in Idaho. In that event, the Department agrees that this Consent Order shall not be a bar to issuing such a license to the Respondent if all licensing requirements are met.

19. The Respondent agrees to comply with all provisions of the Idaho Collection Agency Act and rules promulgated thereunder at all times in the future.

20. The Respondent agrees that the findings of fact and violations contained herein may be used in any subsequent proceeding resulting from any breach of the terms of this Consent Order or future violations of the Act, rules promulgated thereunder, or relevant federal laws and rules by the Respondent.

21. The Department agrees not to seek further penalties or fees for the violations identified in this Consent Order, other than as set forth above, so long as the Respondent fully and timely complies with all terms of this Consent Order. If the Department later determines that the information provided by the Respondent regarding the number of Idaho clients it has contracted with while unlicensed under the Act, the total amount of moneys received from such clients, the amount of fees and compensation it has received from its Idaho clients while unlicensed under the Act is inaccurate, or that any other information provided by the Respondent to the Department pursuant to this Consent Order is inaccurate, the Department may seek further restitution and penalties from the Respondent, as well as other applicable sanctions.

22. 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 11 day of November, 2010.

MAGIC VALLEY CREDIT REPAIR, LLC

By: Angela Hickman
Title: RPC

DATED this 17 day of November, 2010.

STATE OF IDAHO
DEPARTMENT OF FINANCE

Michael Larsen
MICHAEL LARSEN
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 18th day of NOVEMBER, 2010.



STATE OF IDAHO
DEPARTMENT OF FINANCE

GAVIN M. GEE, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18 day of NOVEMBER, 2010, I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be served on the following by the designated means:

Magic Valley Credit Repair, LLC
Attn: Angela Dawn Hickmon
409 Shoshone St. South #1
Twin Falls, ID 83301

- U.S. mail, postage prepaid
- certified mail
- facsimile _____

Paralegal