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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. 2009-40-02
Complainant,)	
)	ORDER TO CEASE AND DESIST
vs.)	
)	
OUTSOURCE CREDIT SOLUTIONS,)	
)	
Respondent.)	
)	
)	
)	

The State of Idaho, Department of Finance, Consumer Finance Bureau (Department), pursuant to the Idaho Loan Broker Act, Idaho Code § 26-2501 *et seq.* (the Act), hereby alleges the following facts that constitute a basis for the issuance of an order pursuant to Idaho Code §§ 26-2505(1) and 67-2755(1), requiring OURSOURCE CREDIT SOLUTIONS (the Respondent), to immediately cease and desist from violating the Act.

RESPONDENT

1. The Respondent purports to be a company that makes personal unsecured loans to individuals. The Respondent has represented on its Internet website that its business address is 52 W. Bay St., Suite 1100, Jacksonville, Florida 32202. Information the Department recently received from the U.S. Postal Service indicates that the Respondent does not maintain an office at that address. Documents provided to the Idaho victim of the Respondent's illegal advance fee loan scheme, discussed in detail below, listed Cheryl Brooks as its chief executive officer. The Respondent maintains no license to engage in consumer lending in Idaho. The telephone number of 1-888-461-6604 that the Respondent has listed on its Internet website currently offers the voice message "Thank you, goodbye."

FINDINGS OF FACT

2. In early June of 2009, Idaho resident P. M. became aware of the Respondent's purported business of offering personal unsecured loans to individuals. At that time, P. M. was interested in obtaining a personal unsecured loan and began communicating with the Respondent for that purpose.

3. On or around June 17, 2009, P. M. spoke to a representative of the Respondent about obtaining a personal unsecured loan in the amount of \$10,000. The Respondent's representative told P. M. that to obtain such loan, it would be necessary for P. M. to first pay a "security deposit" to the Respondent in the amount of \$1,197.30. The Respondent's representative told P. M. that \$10,000 would be deposited in his bank account within six (6) hours of the Respondent's receipt of \$1,197.30 from P. M. On that same date, P. M. signed a document that had been faxed to him by the Respondent, which document reflected a \$10,000 loan to P. M., and in which P. M. provided information to the Respondent concerning the bank

account he wished the loan proceeds to be deposited into. Also on that date, P. M. signed a document labeled "Loan Agreement," which agreement listed the terms, costs, and interest rate associated with the \$10,000 loan he sought from the Respondent. On or around that same date, P. M. faxed those documents back to the Respondent.

4. On June 18, 2009, following the instructions of the Respondent's representative, P. M. sent \$1,197.30 to the Respondent via Western Union as a "security deposit" for the \$10,000 personal unsecured loan he sought.

5. When the \$10,000 loan proceeds were not deposited into P. M.'s bank account as promised by the Respondent's representative, P. M. telephoned the Respondent and was informed that the "lender" on the \$10,000 loan required that an additional \$1,197.30 be forwarded to the Respondent. Lacking the funds to take that step, P. M. took out a payday loan to cover that amount, and forwarded \$1,197.30 of such payday loan proceeds to the Respondent. The Respondent's representative told P. M. that when the Respondent had received the additional \$1,197.30, the proceeds of the \$10,000 loan would be deposited in P. M.'s bank account.

6. When the loan proceeds were not deposited in P. M.'s bank account as the Respondent's representative had promised, P. M. again contacted the Respondent. The Respondent's representative told P. M. that he must forward another \$1,600 to the Respondent to cover "closing costs and taxes." Once again, P. M. sent funds to the Respondent, this time in the amount of \$1,600.

7. When the loan proceeds still had not been deposited into P. M.'s bank account, he again contacted the Respondent. A person identifying himself as "Chow" told P. M. that he was a "supervisor" for the Respondent. "Chow" told P. M. that the Canadian lender P. M. had sent

moneys to had “pulled the plug” on the loan to P. M. “Chow” told P. M. that he would receive a full refund of the moneys he had advanced to obtain such loan within thirty (30) days. “Chow” said that the Respondent had another lender who would extend a loan to P. M., this time in the amount of \$20,000, but that the new loan would require that P. M. forward \$1,700 to the Respondent as a “security deposit.” Following that instruction, P. M. forwarded an additional \$1,700 to the Respondent via Western Union, as a prerequisite for obtaining the new \$20,000 loan. “Chow” told P. M. that once the additional \$1,700 was received by the Respondent, within six (6) hours the proceeds of the new \$20,000 loan would be deposited in P. M.’s bank account.

8. No funds were deposited in P. M.’s bank account, as had been promised by the Respondent. When P. M. again contacted the Respondent about his failure to receive the loan proceeds, the Respondent’s representative told P. M. that to obtain the loan proceeds, P. M. would be required to forward to the Respondent the additional amount of \$3,400. At this point, P. M. ceased following the Respondent’s instructions to forward money to the Respondent as advance fees on the personal unsecured loan P. M. sought. By this time, P. M. had forwarded a total of at least \$5,694.60 to the Respondent as advance fees for a loan he never received.

CONCLUSIONS OF LAW AND VIOLATION

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

10. Idaho Code § 26-2501 defines “loan broker” as any person, corporation, partnership or other business entity which offers for compensation, in this state, to arrange for a loan or other extension of credit. Under that definition, a “loan broker” includes a person, corporation, partnership or other business entity which, for compensation or for no compensation, advertises, solicits, or offers to make or to obtain for others a loan or other

extension of credit. The Respondent's acts, through its agent(s), of representing to P. M. that it would arrange for a loan or extension of credit for him, for which it would receive a fee or compensation, qualifies the Respondent as a "loan broker" pursuant to this definition.

11. Idaho Code § 26-2503 provides as follows:

26-2503. Fees prohibited until a loan is made. -- No loan broker shall directly or indirectly receive any fee, interest or other charge of any nature until a loan or extension of credit is made or a written commitment to loan or extend credit is made by any person exempt under section 26-2502, Idaho Code.

12. The Respondent's acts of requiring P. M. to pay fees related to a personal loan or extension of credit prior to making a loan or extending credit, as referenced in paragraphs 2 through 8 above, constituted violations of Idaho Code § 26-2503. The Respondent fails to qualify for any exemption from this requirement pursuant to Idaho Code § 26-2502.

REQUESTED RELIEF

13. Idaho Code § 26-2505(1) provides that the Director shall have the power to administer and enforce the provisions of the Act, and that when it appears to the Director that a loan broker has violated § 26-2503 of the Act, the Director shall have the powers and remedies set forth in Idaho Code § 67-2755.

14. The remedies set forth in Idaho Code § 67-2755(1) include ordering a person to cease and desist from the violation or attempted violation, if, in the determination of the Director, it is necessary to protect any financial institution or the public, or good cause justifies the same, without prior notice to the person or opportunity for a hearing.

ORDER

The Director, having reviewed the foregoing, good cause being shown, and the protection of the public justifying the entry of this Order,

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

Based on the foregoing, and pursuant to Idaho Code §§ 26-2505(1), 67-2755(1), and 67-5247, IT IS HEREBY ORDERED that the Respondent and its agents and employees immediately CEASE AND DESIST from any further lending activities in Idaho, to include arranging for personal loans for Idaho residents requiring an advance fee, and from any other conduct under the Act constituting a violation of such Act.

NOTICE

15. The Respondent is HEREBY NOTIFIED that the foregoing ORDER TO CEASE AND DESIST is a final order of the Director, subject to the Respondent's right to timely file a motion for reconsideration of such final order or request for a hearing as to such order, pursuant to Idaho Code § 67-5246(4). Such motion for reconsideration or request for a hearing must be in writing and submitted to the Department within fourteen (14) days after the service of this Order. A copy of the motion for reconsideration or request for a hearing shall be served on Michael Larsen, Consumer Finance Bureau Chief, at the following address:

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

A copy of the request for hearing shall also be served on the Department's counsel in this matter,

A. René Martin, Deputy Attorney General, at the following address:

A. René Martin
Deputy Attorney General
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

16. If the Respondent timely files a request for hearing, the Department will notify the Respondent of the date, time and place of the hearing, as well as the name and contact information of the presiding officer.

17. Any hearing and subsequent proceedings in this matter will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201 *et seq.*

18. The Department will dispose of a motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. Idaho Code § 67-5246(4); Rule 740, Idaho Rules of Administrative Procedure of the Attorney General (IRAP), located at IDAPA 4.11.01.740.

19. 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.

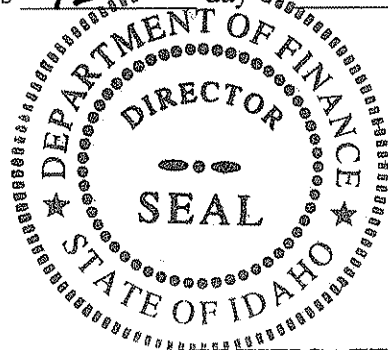
20. An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See

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.

This ORDER TO CEASE AND DESIST is effective upon issuance.

IT IS SO ORDERED.

DATED this 15TH day of SEPTEMBER, 2009.



STATE OF IDAHO
DEPARTMENT OF FINANCE


GAVIN M. GEE, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 16 day of September, 2009, I served a true and correct copy of the foregoing ORDER TO CEASE AND DESIST upon the following by the designated means:

Outsource Credit Solutions
Attn: Cheryl Brooks, CEO
52 West Bay Street, Suite 1100
Jacksonville, FL 32202

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