

In re: Consumer Recovery Network, Inc.
(a/k/a CRN and d/b/a www.consumerrecoverynetwork.com)

Case No.: 11-239

CONSENT ORDER

The State of New Hampshire Banking Department (the "Department") finds and Orders as follows:

Respondents

1. Consumer Recovery Network, Inc. (a/k/a CRN and d/b/a www.consumerrecoverynetwork.com) ("CRN") is a corporation duly formed in the State of Idaho on July 11, 2008 with its principal office location in Sandpoint, Idaho. CRN has not registered with the New Hampshire Secretary of State. In New Hampshire, CRN had not been previously licensed as a Debt Adjuster by the Department.

Jurisdiction

2. The Department is authorized to regulate debt adjusters pursuant to RSA Chapter 399-D. *RSA 399-D:1* and *RSA 399-D:3*.
3. The Commissioner has jurisdiction to issue orders to cease and desist from violations under RSA Chapter 399-D and to deny a license or assess penalties pursuant to RSA Chapter 399-D. *RSA 399-D:13* and *RSA*

399-D:23.

4. The Department may assess CRN administrative fines not to exceed \$2,500.00 for each violation of RSA Chapter 399-D. *RSA 399-D:24, IV and V.*
5. The Department may require CRN to provide restitution. *RSA 399-D:3, III.*

Facts

6. In 2010, CRN conducted debt adjuster activity for three (3) New Hampshire consumers without a valid Debt Adjuster license issued by the Department.
7. CRN charged and collected a total of \$4,936.00 from the following New Hampshire consumers. CRN did refund Consumer A \$950.00:
Consumer A: \$1,446.00 (including refunded amount)
Consumer B: \$1,995.00
Consumer C: \$1,495.00
8. During the request for information, CRN fully cooperated with the Department and provided the information to show that CRN did conduct business in New Hampshire without proper licensure.

Violation(s) of Law and Penalties

9. CRN has conducted unlicensed debt adjuster activity for New Hampshire consumers without a valid Debt Adjuster license, in violation of RSA 399-D:3,I.

Respondent's Consent and Acknowledgments

10. CRN hereby acknowledges that were an administrative hearing to be held in this matter, the Department would introduce evidence demonstrating that CRN violated RSA Chapter 399-D.
11. CRN has voluntarily entered into this Consent Order without reliance upon any discussions between the Department and CRN, without promise of a benefit of any kind (other than concessions contained in this Consent Order), and without threats, force, intimidation, or coercion of any kind. CRN further acknowledges its understanding of the nature of the allegations set forth in this action, including the potential penalties provided by law.
12. CRN hereby acknowledges, understands, and agrees that it has the right to notice and hearing and hereby waives said rights. CRN hereby further acknowledges it waives the filing of any civil actions related to this matter.

Order

13. **Whereas pursuant to RSA 399-D:13,VI,** this Consent Order is necessary, appropriate and in the public interest and consistent with the intent and purposes

of New Hampshire banking laws, the Department Orders as follows:

- a. Pursuant to RSA 399-D:23,I and II, CRN and any and all successors in interest shall cease and desist from conducting unlicensed debt adjuster activity and from violating RSA Chapter 399-D and any rules or orders thereunder;
- b. CRN shall reimburse the three (3) New Hampshire consumers the fees charged as listed in Paragraph 7 above. CRN shall pay the total restitution of \$3,986.00 over three (3) months as follows:
 - Consumer A shall be reimbursed the remaining \$496.00 on or before the 31st of January 2014, which shall be after CRN's execution of this Consent Order; and
 - Consumer B shall be reimbursed on or before the 28th of February 2014; and
 - Consumer C shall be reimbursed on or before the 31st of March 2014; and
 - These consumer checks shall be bank checks or guaranteed funds and made payable to each individual consumer and submitted directly to each consumer via first class mail by CRN:

(1). Each check shall be accompanied by written correspondence containing only the following language: "This refund check is being sent to you pursuant to a public consent order that Consumer Recovery Network, Inc. (a/k/a CRN and d/b/a www.consumerrecoverynetwork.com) entered into with the New Hampshire Banking Department. You may find a copy of the public consent order on the Banking Department's website, located at www.nh.gov/banking/orders/enforcement/index.htm by searching for Docket #11-239. For further questions, please contact the New Hampshire Banking Department at (603) 271-3561;"

(2). Any verbal communications with consumers about the restitution shall be limited to the language found in the written correspondence, and CRN shall refer the consumer to the Department for further information;

(3). CRN shall also forward to the Department copies of both cancelled checks or copies of both cancelled check images;

(4). CRN shall make a second attempt to locate the consumer, if the address to which the

restitution check is mailed is no longer valid. Such attempt shall be documented and reported to the Department;

(5). CRN shall follow up at least once with any consumer who does not cash each check within three months of receipt. Such follow up shall be documented and reported to the Department; and

(6). If, after six months, a consumer has failed to cash or deposit the restitution check(s), CRN shall begin the process to escheat the funds to the New Hampshire State Treasurer's Abandoned Property division. Such process shall be documented and reported to the Department. The process of escheatment may begin prior to six months, if so approved or directed by the Department; and

c. CRN shall pay to the Department \$2,500.00 in administrative fines, which shall be paid over five (5) months as follows:

- \$500.00 shall be paid contemporaneously with CRN's execution of this Consent Order; and
- \$500.00 shall be on or before the 28th of February 2014; and

- \$500.00 shall be on or before the 31st of March 2014; and
- \$500.00 shall be on or before the 30th of April 2014; and
- \$500.00 shall be on or before the 31st of May 2014; and
- The check shall be bank check or guaranteed funds and made payable to "State of New Hampshire."

14. The Consent Order finally and completely concludes this matter against CRN. This Consent Order may still be revoked and the Department may pursue any and all remedies available under law, if the Department later finds that CRN knowingly or willfully withheld information used and relied upon in this Consent Order.
15. This Consent Order is binding on all heirs, assigns, and/or successors in interest.
16. This Consent Order shall become effective upon the date the Commissioner signs this Consent Order, providing the Department has confirmed the payments referenced in Paragraphs 13.b. and 13.c. herein.
17. Once this Consent Order is effective, the Department agrees not to seek further reimbursement, refunds,

