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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
7 **OF CONSUMER AND BUSINESS SERVICES**

8 In the Matter of:

DM-12-0010

9 **Innovative Wealth Builders, Inc.,**
10 Respondent.

ORDER TO CEASE AND DESIST,
ORDER ASSESSING CIVIL PENALTY,
AND CONSENT TO ENTRY OF
ORDER

11 WHEREAS, the Director of the Department of Consumer and Business Services for the
12 State of Oregon (hereinafter “the Director”), acting pursuant to the Oregon statutes regulating
13 debt management service providers, ORS 697.602 to 697.842, has conducted an investigation of
14 Innovative Wealth Builders, Inc. (“IWB”), and has concluded that violations of Oregon law have
15 been committed; and

16 WHEREAS IWB wishes to resolve this matter with the Director;

17 NOW THEREFORE, as evidenced by the signature(s) subscribed on this Order, IWB
18 hereby CONSENTS to entry of this Order upon the Director’s Findings of Fact and Conclusions
19 of Law as stated hereinafter.

20 **I.**

21 **FINDINGS OF FACT**

22 The Director FINDS that:

23 1. IWB is a Florida corporation with its principal office located at 28059 US Highway
24 19 N, Suite 300, Clearwater, Florida 33761.

25 2. At all times relevant to this matter, IWB held itself out as providing debt management
26 services as defined by ORS 697.602(2)(d), by receiving money in return for obtaining or
attempting to obtain as an intermediary on a consumer’s behalf a concession from a creditor

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





1 including, but not limited to, a reduction in the principal, interest, penalties or fees associated
2 with a debt.

3 3. At no time material to this Order was IWB registered in Oregon with the Director as a
4 debt management service provider.

5 4. To date, IWB has provided debt management services to at least two Oregon
6 residents.

7 5. In each case, IWB charged its Oregon clients an initial fee of more than \$50.

8 6. At no time material to this Order did IWB file a bond with the Director as required by
9 Oregon law.

10 **II.**

11 **CONCLUSIONS OF LAW**

12 The Director CONCLUDES that:

13 7. IWB performed debt management services as defined by ORS 697.602(2)(d) when it
14 received money in return for obtaining or attempting to obtain as an intermediary on a
15 consumer's behalf a concession from a creditor including, but not limited to, a reduction in the
16 principal, interest, penalties or fees associated with a debt.

17 8. IWB violated ORS 697.612 by engaging in the business of debt management service
18 provider without being registered with the Director. Each instance IWB provided debt
19 management services without first being registered with the Director is a separate and distinct
20 violation of ORS 697.612.

21 9. IWB violated ORS 697.692(1)(a) when it charged Oregon consumers an initial fee
22 that exceeded \$50. Each instance IWB charged an Oregon consumer an initial fee that exceeded
23 \$50 is a separate and distinct violation of ORS 697.692(1)(a).

24 10. IWB violated ORS 697.642(1) when it performed debt management services without
25 first filing a bond issued by one or more corporate sureties authorized to do business in Oregon.
26 Each instance IWB provided debt management service without first filing a bond is a separate

1 and distinct violation of ORS 697.642(1).

2 **III.**

3 **ORDERS**

4 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

5 Order to Cease and Desist

6 11. Pursuant to the authority of ORS 697.825(1)(a), the Director hereby ORDERS IWB,
7 and all entities owned or controlled by IWB, their successors and assignees, to CEASE AND
8 DESIST from violating any provision of the Oregon statutes regulating debt management service
9 providers, ORS Chapter 697, and any rule, order, or policy issued by the Director under ORS
10 Chapter 697.

11 Order Assessing Civil Penalty

12 12. Pursuant to the authority of ORS 697.832, the Director may assess a CIVIL
13 PENALTY in an amount of not more than \$5,000 per violation against any person who violates
14 ORS 697.612 or 697.642 to 697.702, rules adopted under ORS 697.632, or any order issued
15 under ORS 697.825.

16 13. Pursuant to ORS 697.832, the Director hereby assesses IWB a CIVIL PENALTY in
17 the amount of \$30,000 (thirty thousand dollars) as follows:

18 A. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for two violations of the
19 registration provisions of ORS 697.612 by engaging in the business of performing debt
20 management service without being registered with the Director;

21 B. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for two violations of ORS
22 697.692(1)(a) by charging an initial fee for debt management services that exceeded \$50; and

23 C. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for two violations of
24 performing debt management services without first filing a bond as required by ORS
25 697.642(1).

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Suspension of Civil Penalty

14. The Director agrees to SUSPEND the collection of the \$30,000 CIVIL PENALTY assessed herein providing that IWB complies with all of the following terms and conditions:

A. IWB shall suspend all collection activities for interest on, or any fees or charges for, debt management services provided to Oregon consumers.

B. Within 10 days from the effective date of this Order, IWB shall either: (i) file an application to register with the Director as a debt management service provider pursuant to ORS 697.632, or (ii) place a prominent disclaimer on its website, the websites of all affiliated companies, and in all promotional materials published by or for IWB, to the effect that its debt management services are not available to Oregon residents.

C. IWB shall comply with all terms and conditions set out in this Order and commit no new violations of the Oregon statutes regulating debt management service providers, ORS 697.602 to 697.842, the rules adopted pursuant to ORS 697.632, or any order issued under ORS 697.825.

15. If IWB complies with all of the terms and conditions set out in this Order and commits no new violations of the Oregon statutes regulating debt management service providers during the three-year period from the effective date of this Order, the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein.

16. The Director reserves the right to immediately impose the suspended CIVIL PENALTY upon a determination that IWB has violated any term of this Order.

17. The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

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Division of Finance and Corporate Securities
Labor and Industries Building
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IT IS SO ORDERED.

Dated this 4th day of May, 2012 at Salem, Oregon.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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CONSENT TO ENTRY OF ORDER

I, Tamara Johnson, state that I am an officer of Innovative Wealth Builders, Inc. (“IWB”), and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that I and IWB have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that IWB, voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that IWB, executes this Order as a settlement of the matters referred to in the foregoing Order; that IWB understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon statutes regulating debt management service providers, ORS 697.602 to 697.842, the rules adopted pursuant to ORS 697.632, or any order issued under ORS 697.825, and that IWB will fully comply with the terms and conditions stated herein.

IWB further assures the Director that neither IWB, nor its officers, directors, employees or agents, will offer or provide debt management services in Oregon unless such activities are in full compliance with Chapter 697 of the Oregon Revised Statutes.

IWB understands that this Order is a public document.

By: /s/ Tamara Johnson
Signature

By: Tamara Johnson
Printed Name

Office Held: Vice President

ACKNOWLEDGMENT

State of Florida

County of Pinellas

There appeared before me this 28 day of April, 2012, Tamera Johnson, who was first duly sworn on oath, and stated that he/she was and is an officer of IWB, and that he/she is authorized and empowered to sign this Order on behalf of IWB, and to bind it to the terms hereof.

/s/ Angie Kinnison
Signature of Notary Public

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