STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case No. DM-18-0062
SQUARE ONE RESOLUTIONS, INC.,	FINAL ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER
Respondent.	

The Director of the Department of Consumer and Business Services for the State of Oregon ("the Director") conducted an investigation of Square One Resolutions, Inc. ("Square One" or "the company") and determined that Square One violated certain provisions of the Oregon Revised Statutes ("ORS") 697.602 through 697.842 and Oregon Administrative Rules ("OAR") 441-910-0000 through 441-910-0200 (collectively, "the Oregon Debt Management Service Provider Laws and Rules").

Square One wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signature(s) subscribed in this Order, Square One hereby consents to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated below.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Square One is a California company with a principal business address of 4025 Camino Del Rio S, Suite 300, San Diego, CA 92108.

2. Binh Bui is the owner and chief executive officer of Square One.

3. On its website, www.squareoneresolutions.com/about-us/, Square One claims to "gather student information to build strong claims, and through collaborations with consultants and attorneys, directly challenge lenders and collectors in their abilities to

collect at all."

4. Square One is neither registered with the Oregon Secretary of State to do business in Oregon nor registered in Oregon as a debt management service provider ("DMSP").

5. Square One offers a Private Student Loan Fraud & Hardship Program, also known as the Fraud and Hardship Debt Settlement Program ("Program"), which purports to provide services that include communicating with creditors on the borrower's behalf, monitoring and enforcing creditors' compliance with federal and state statutes, disputing debts with creditors, and providing and paying for an attorney to represent the borrower in negotiations with creditors or in lawsuits related to the borrower's student loans.

6. In 2016, JO, an Oregon resident, signed a Service Agreement to enroll in the Program. The Service Agreement's stated purpose was to "stop debt collection actions, negotiate private student debts, and reach a favorable deal through concurrent attorney/client representation."

7. The fee for joining the Program was $274.54 per month for 24 months. JO paid Square One a total of $5,782.70 in fees.

8. The Service Agreement guaranteed that Square One would reduce JO's student loan by at least 30% within 24 months, and if Square One failed to do so, JO may demand a full refund of fees paid.

9. JO asked Square One for updates regarding his student loan but received no response from Square One. After the Division launched an investigation of the company in 2018, Square One gave JO a full refund of fees paid.

10. Square One has admitted that it does not employ in-house, contract, or independent lawyers in any state to provide debt management services.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

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11. By offering to provide JO with the services described in Paragraphs 5 and 6 of this Order and guaranteeing a reduction of JO's student loans by at least 30% within 24 months, Square One offered to modify the terms and conditions of an existing loan from or obligation to a third party.

12. By offering to modify the terms and conditions of an existing loan from or obligation to a third party, Square One performed a debt management service, as defined in ORS 697.602(2)(c).

13. By agreeing to provide JO with the services described in Paragraphs 5 and 6 of this Order and guaranteeing a reduction of JO's student loans by at least 30% within 24 months, Square One attempted to obtain as an intermediary on JO's behalf a concession from a creditor including, but not limited to, a reduction in the principal, interest, penalties or fees associated with a debt.

14. By attempting to obtain on JO's behalf, as an intermediary, a concession from a creditor including, but not limited to, a reduction in the principal, interest, penalties or fees associated with a debt, Square One performed a debt management service, as defined in ORS 697.602(2)(d).

15. By performing debt management services as defined in ORS 697.602(2)(c) and (d) without being registered in Oregon as a DMSP, Square One violated ORS 697.612(1)(a).

16. By receiving money or other valuable consideration for soliciting or receiving an application from JO for a debt management service without being registered in Oregon as a DMSP, Square One violated ORS 697.612(1)(b)(A).

17. By representing to JO that Square One would provide and pay for an attorney to represent him in negotiations with creditors or any lawsuits associated with his student loans, Square One made statements that were untrue or misleading or that, with the exercise of reasonable care, the company should have known were untrue or misleading,

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in violation of ORS 697.662(1).

18. By charging JO an initial fee in excess of $50.00, Square One violated ORS 697.692(1)(a).

19. The Director has reason to believe that Square One violated, is violating, or is about to violate the Oregon Debt Management Service Provider Laws and Rules. Thus, under ORS 697.825(a), the Director may order Square One to cease and desist from violating the Oregon Debt Management Service Provider Laws and Rules.

20. ORS 697.832 authorizes the Director to impose on Square One a civil penalty of up to $5,000.00 per violation of the Oregon Debt Management Service Provider Laws and Rules.

ORDER

Now therefore, the Director issues the following Order:

21. As authorized by ORS 697.825(a), the Director ORDERS Square One to CEASE AND DESIST from violating any provision of the Oregon Debt Management Service Provider Laws and Rules.

22. Unless it registers in Oregon as a debt management service provider, Square One agrees to include a statement in its website(s) that its services are not available in Oregon.

23. As authorized by ORS 697.832, the Director may assess civil penalties up to $5,000 per violation of the Oregon Debt Management Service Provider Laws and Rules. The Director hereby ORDERS Square One to pay total civil penalties in the amount of $3,000.00 allotted as follows:

A. $500.00 for violating ORS 697.612(1)(a) and (b)(A);

B. $500.00 for violating 697.692(1)(a); and

C. $2,000.00 for violating ORS 697.662(1).

24. The Director SUSPENDS the $3,000.00 civil penalties for a period of five

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years from the date of this Order, as long as Square One does not violate the Oregon Debt Management Service Provider Laws and Rules or the terms of this Order. If Square commits any such violation, the suspended civil penalties will become immediately due and owing. If Square One does not violate the Oregon Debt Management Service Provider Laws and Rules or the terms of this Order during the prescribed five-year period, the civil penalties will be waived.

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

SO ORDERED this 12th day of September, 2018.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Binh Bui, am an officer or manager of Square One Resolutions, Inc. ("Square One"). I am authorized to act and sign on behalf of Square One. I have read the foregoing Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Square One voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Square One understands that the Director reserves the right to take further action to enforce this Order or to take appropriate action upon discovery that Square One has committed other violations of the Oregon Debt Management Service Provider Laws and Rules. Square One, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Square One understands that this consent Order is a public document.

/s/ Binh Bui
Binh Bui, CEO

ACKNOWLEDGMENT

State of California

County of San Diego

Signed or attested before me on the 11th of September, 2018.

/s/ Dan N. Yang
Notary Public

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