

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

In the Matter of:

Case No. DM-20-0094

NEW ERA GROUP, INC. dba NEW ERA
DEBT SOLUTIONS, a California
Corporation,

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

Respondent.

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) 697.602 et seq. and Oregon Administrative Rules (“OAR”) 441-910-0000 through 441-910-0200 (collectively, “Oregon Debt Management Service Provider Law”), conducted an investigation into the activities of New Era Group, Inc. dba New Era Debt Solutions (“Respondent”) and determined that Respondent engaged in activities constituting violations of the Oregon Debt Management Service Provider Law.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signature subscribed on this Order, Respondent hereby CONSENTS to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a California corporation with a principal place of business located at 330 Wood Rd., Suite B, Camarillo, California 93010. Respondent’s Nationwide Multistate Licensing System (“NMLS”) number is 1679946.

2. In or around November 2015, Respondent entered into an agreement with

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





1 Consumer First Legal Network, LLC (“CFLN”) to assist CFLN with its debt management
2 business. Under the terms of their agreement, Respondent would:

3 A. Provide CFLN with the names and contact information of consumers
4 interested in obtaining assistance reducing their debt obligations;

5 B. Inform interested consumers of the debt management services offered
6 by CFLN;

7 C. Assist consumers in completing their applications with CFLN;

8 D. Collect and store data regarding consumers and their debts;

9 E. Field consumer phone calls to answer questions regarding CFLN’s debt
10 management program;

11 F. Send letters to consumers and their creditors on behalf of CFLN; and

12 G. Engage in further communications with consumers and their creditors
13 on behalf of CFLN.

14 3. From in or around April 2016 through in or around December 2019, CFLN
15 contracted with 37 Oregon residents (“Oregon Clients”) to reduce or attempt to reduce their
16 third-party consumer debt obligations.¹

17 4. At no time were CFLN or Respondent registered to perform debt management
18 services in Oregon.

19 5. In total, Respondent collected \$86,613.73 in fees from the Oregon Clients. Of
20 that sum, \$22,265.21 exceeded the scope of permissible fees under the Oregon Debt
21 Management Service Provider Law. Respondent collected excessive fees from the Oregon
22 Clients as follows:

OREGON CLIENT	EXCESSIVE FEES
AJ	\$1,256.94

26 ¹ See Division case number DM-20-0037 against CFLN.



1	CD	\$5,924.83
2	ER	\$146.52
3	HK	\$257.06
4	JZ	\$3,642.09
5	JN	\$7.33
6	JB	\$414.98
7	KC	\$245.75
8	KT	\$407.38
9	ND	\$710.61
10	RM	\$1,392.95
11	TG	\$4,470.96
12	TF	\$372.49
13	VS	\$2,982.60
14	ZK	\$32.72

15
16 6. Respondent has fully cooperated with the Director’s investigation of this
17 matter. Pursuant to that investigation, Respondent provided documentation to support the
18 claim it operated under the good faith misapprehension that its Oregon activities did not
19 require registration.

20 **CONCLUSIONS OF LAW**

21 The Director CONCLUDES that:

22 7. Obtaining or attempting to obtain concessions from a creditor on behalf of a
23 consumer, such as a reduction in the amount owed under a debt obligation, constitutes a
24 “debt management service” as defined under ORS 697.602(2).

25 8. Respondent was required to register as a debt management service provider
26 because they received or expected to receive money for:



1 15. As authorized by ORS 697.832(1), the Director hereby ORDERS that
2 Respondent be subject to a CIVIL PENALTY of \$50,000 as follows:

3 A. \$25,000 for violating ORS 697.612(1)(b); and

4 B. \$25,000 for violation ORS 697.692(1).

5 16. The Director hereby suspends payment of \$40,000 of the civil penalty for a
6 period of three years, provided Respondent:

7 A. Complies with the terms of this Order;

8 B. Does not violate the Oregon Debt Management Service Provider Law
9 within the three-year time period; and

10 C. Pays \$22,265.21 to the Oregon Clients in the amounts set forth in
11 Paragraph (5) within 18 months from the effective date of this Order, and provides
12 the Division with documentation of such payments within that timeframe.

13 17. In the event Respondent cannot make successful payment to an Oregon Client
14 within 18 months from the effective date of this Order, Respondent shall send
15 communication to the consumer's last-known electronic *and* mailing address to notify them
16 they are entitled to funds to be made available through the Oregon Department of State
17 Lands ("DSL"). Respondent shall provide DSL with all such unclaimed funds, along with
18 the consumer's contact information and a copy of this Order. DSL will distribute the funds
19 to Oregon Consumers that contact the Director or DSL.

20 18. The suspended civil penalty (\$40,000) will be waived three years from the date
21 this Order is finalized, provided Respondent has complied with the foregoing Order terms.
22 The Director reserves the right to immediately assess and collect the suspended civil
23 penalty upon a determination that Respondent has violated any term of this Order.

24 19. This Order is binding upon Respondent's successors and assigns.

25 20. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that
26 provision, the entry of this Order does not limit other remedies that are available to the

1 Director under Oregon law.

2 SO ORDERED this 1st day of April, 2021.

3 ANDREW R. STOLFI, Director
4 Department of Consumer and Business Services

5 /s/ Dorothy Bean
6 Dorothy Bean Chief of Enforcement
7 Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Daniel A. Smith, state that I am an officer of Respondent and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Respondent’s right to a hearing and right to be represented by counsel in this matter. Respondent 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. Respondent understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Debt Management Service Provider Law with the terms and conditions stated herein.

Respondent further assures the Director that neither Respondent nor its officers, directors, employees, or agents will effect debt management services in Oregon unless such activities are in full compliance with the Oregon Debt Management Service Provider Law. Respondent understands that this Consent Order is a public document.

Signature: Daniel A. Smith

Position Held: President

State of California

County of Ventura

Signed or attested before me on this 22nd day of March, 2021

by Daniel A. Smith.

/s/ William T. Adams
Notary Public

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