

) Case No.: 09-154

1 In re the Matter of: )  
 )  
 2 State of New Hampshire Banking Department, )  
 )  
 3                   Petitioner, )  
 )  
 4           and )  
 )  
 5 Acushield Financial (d/b/a AcuShield Financial, )  
 )  
 6 a/k/a Acu-Shield Financial, Inc., and a/k/a Acu ) Order to Show Cause and  
 ) Cease and Desist  
 7 Shield Financial), Emico, Inc., Best Debt )  
 )  
 8 Solution, Inc., Nicholas de Segonzac, Ron )  
 )  
 9 Fender, Kristie Medlen, and Sandy Barnes, )  
 )  
 10                   Respondents )  
 )  
 11 )

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NOTICE OF ORDER TO SHOW CAUSE AND CEASE AND DESIST ("ORDER")

13 1. This Order commences an adjudicative proceeding under the provisions  
 14 of RSA Chapter 399-D (including RSA 399-D:13,I, RSA 399-D:23,I and II, RSA  
 15 399-D:24, IV and V and RSA 399-D:25,IV) and RSA Chapter 541-A.

16 2. The Commissioner may impose administrative penalties of up to  
 17 \$2,500.00 for each violation. RSA 399-D:24,IV and V.

RESPONDENTS

19 3. Acushield Financial (a/k/a AcuShield Financial, a/k/a Acu-Shield  
 20 Financial, Inc., and a/k/a Acu Shield Financial) ("Respondent Acushield") is  
 21 a domestic corporation duly formed in the State of Nevada on July 28, 2006,  
 22 with a principal office location in Las Vegas, Nevada. According to the  
 23 California Department of Corporations December 23, 2008 Desist and Refrain  
 24 Order, Respondent Acushield also had a prior address in San Diego,  
 25 California. Respondent Acushield is not registered with the New Hampshire

1 Secretary of State. According to the Nevada Secretary of State filings,  
2 Respondent Acushield's company registration was revoked by the Nevada  
3 Secretary of State on or about July 31, 2009. Respondent Acushield is a  
4 "Person." RSA 399-D:1,VII.

5 4. The New Hampshire Banking Department's ("Department") records do not  
6 indicate that Respondent Acushield has ever held a New Hampshire Debt  
7 Adjuster license.

8 5. Emico, Inc. ("Respondent Emico") is a domestic corporation duly formed  
9 in the State of Nevada on August 28, 2006, with the same principal office  
10 location in Las Vegas, Nevada as that of Respondent Acushield. According to  
11 the California Department of Corporations December 23, 2008 Desist and  
12 Refrain Order, Respondent Emico also had the same address in San Diego,  
13 California as that of Respondent Acushield. Further, Respondent Emico was  
14 Respondent Acushield's parent company. Respondent Emico is not registered  
15 with the New Hampshire Secretary of State. Respondent Emico is a "Person."  
16 RSA 399-D:1,VII. Respondent Emico is a Control Person (RSA 399-D:2,II-a), a  
17 Direct Owner (RSA 399-D:2,V-b), a Principal (RSA 399-D:2,VII-a), and a  
18 Person (RSA 399-D:2,VII).

19 6. The New Hampshire Banking Department's ("Department") records do not  
20 indicate that Respondent Emico has ever held a New Hampshire Debt Adjuster  
21 license.

22 7. Best Debt Solution, Inc. ("Respondent Best Debt") is a corporation  
23 duly formed in the State of California on May 18, 2004 (and was dissolved  
24 around 2006) with a principal office location in San Diego, California and a  
25 former location in Escondido, California. Respondent Best Debt was bought

1 out by or absorbed by Respondent Acushield in that Respondent Best Debt  
2 clients became Respondent Acushield clients. Respondent Best Debt is not  
3 registered with the New Hampshire Secretary of State. Respondent Best Debt  
4 is a "Person." RSA 399-D:1,VII.

5 8. The New Hampshire Banking Department's ("Department") records do not  
6 indicate that Respondent Best Debt has ever held a New Hampshire Debt  
7 Adjuster license.

8 9. Nicholas de Segonzac ("Respondent Segonzac") is listed in the Nevada  
9 Secretary of State filings as the President and Secretary of Respondent  
10 Emico. Respondent Segonzac was the representative for Respondent Acushield  
11 as indicated by one customer who received a telephone call from Respondent  
12 Segonzac assuring the consumer of a refund (as indicated in a Ripoff Report  
13 online posting on February 4, 2009. According to the California Department  
14 of Corporations December 23, 2008 Desist and Refrain Order, Respondent  
15 Segonzac was the President and Chief Executive Officer of Respondent  
16 Acushield and Respondent Emico. Respondent Segonzac was the former President  
17 of The Association of Settlement Companies("TASC"). Respondent Segonzac  
18 became the President of TASC around September of 2008. Respondent Segonzac  
19 is a Control Person (RSA 399-D:2,II-a), a Principal (RSA 399-D:2,VII-a), and  
20 a Person (RSA 399-D:2,VII).

21 10. The New Hampshire Banking Department's ("Department") records do not  
22 indicate that Respondent Segonzac has ever held a New Hampshire Debt  
23 Adjuster license.

24 11. Ron Fender ("Respondent Fender") is listed in the Nevada Secretary of  
25 State filings as the Director and Treasurer of Respondent Emico. According

1 to the California Department of Corporations December 23, 2008 Desist and  
2 Refrain Order, Respondent Fender was also the President and Chief Executive  
3 Officer of Respondent Best Debt. Respondent Fender is a Control Person (RSA  
4 399-D:2,II-a), a Principal (RSA 399-D:2,VII-a), and a Person (RSA 399-  
5 D:2,VII).

6 12. The New Hampshire Banking Department's ("Department") records do not  
7 indicate that Respondent Fender has ever held a New Hampshire Debt Adjuster  
8 license.

9 13. Kristie Medlen ("Respondent Medlen") is listed with the Better  
10 Business Bureau of Southern Nevada as the President of Respondent Acushield.  
11 According to debtconsolidationcare.com, Respondent Medlen was on the TASC  
12 board, as well. According to spoke.com, Respondent Medlen was the President  
13 and Chief Executive Officer of Respondent Acushield around the time  
14 Respondent Segonzac became the President of TASC. Respondent Medlen is a  
15 Control Person (RSA 399-D:2,II-a), a Principal (RSA 399-D:2,VII-a), and a  
16 Person (RSA 399-D:2,VII).

17 14. The New Hampshire Banking Department's ("Department") records do not  
18 indicate that Respondent Medlen has ever held a New Hampshire Debt Adjuster  
19 license.

20 15. Sandy Barnes ("Respondent Barnes") is listed in the Nevada Secretary  
21 of State filings as the Treasurer and Secretary of Respondent Acushield.  
22 According to debtconsolidationcare.com, Respondent Medlen was on the TASC  
23 board, as well. According to spoke.com, Respondent Medlen was the President  
24 and Chief Executive Officer of Respondent Acushield around the time  
25 Respondent Segonzac became the President of TASC. Respondent Barnes is a

1 Control Person (RSA 399-D:2,II-a), a Principal (RSA 399-D:2,VII-a), and a  
2 Person (RSA 399-D:2,VII).

3 16. The New Hampshire Banking Department's ("Department") records do not  
4 indicate that Respondent Barnes has ever held a New Hampshire Debt Adjuster  
5 license.

6 17. The above-named Respondents are hereinafter collectively known as  
7 "Respondents".

8 **RIGHT TO REQUEST A HEARING**

9 18. Respondents have a right to request a hearing on this Order. A hearing  
10 shall be held not later than ten (10) days after the Commissioner receives  
11 the Respondent's written request for a hearing. Respondents may request a  
12 hearing and waive the ten (10) day hearing requirement. The hearing shall  
13 comply with RSA Chapter 541-A. RSA 399-D:13,I and RSA 399-D:23, I and II.

14 19. If any person fails to request a hearing within thirty (30) days of  
15 receiving this Order, then such person shall be deemed in default, and the  
16 Order shall, on the thirty-first (31<sup>st</sup>) day, become permanent, all  
17 allegations may be deemed true, and shall remain in full force and effect  
18 until modified or vacated by the Commissioner for good cause shown. RSA  
19 399-D:13,I and RSA 399-D:23,II.

20 20. A default may result in administrative fines as described in Paragraph  
21 2 above.

22 **STATEMENT OF ALLEGATIONS**

23 21. On March 23, 2009, the Department received a complaint against  
24 Respondents from a New Hampshire consumer ("Consumer A") alleging that  
25 Respondents were to provide debt relief assistance to Consumer A. According

1 to Consumer A, Respondents took advanced fees in violation of RSA Chapter  
2 399-D.

3 22. On December 24, 2005, Consumer A hired Respondents to negotiate  
4 credit card debt. Respondent Best Debt (which became Respondent Acushield)  
5 took approximately \$550.00 from Consumer A's bank account on the 24<sup>th</sup> of  
6 every month for set aside money to negotiate with creditors. Consumer A  
7 indicated Respondents settled one account and Consumer A had to go to court  
8 twice. Respondents further failed to notify creditors Consumer A was in  
9 Respondents' program. Consumer A paid a total of \$12,276.61 in set aside  
10 monies and service fees (\$3,532.83 in set aside monies and \$8,743.78 in  
11 service fees). Respondents charged an advanced fee in violation of RSA 399-  
12 D:14,I.

13 23. Consumer A was charged anywhere from \$243.86 to \$505.00 in service  
14 fees on a monthly basis. Respondents charged an unequally amortized fee in  
15 violation of RSA 399-D:14,I.

16 24. Respondents collected approximately \$12,276.61 in fees from Consumer A  
17 without either the written consent of Consumer A's creditor(s) or many  
18 payments made to Consumer A's creditor(s), in violation of RSA 399-D:14,I  
19 and II.

20 25. Respondents failed to conduct failed to most of the funds to pay  
21 Consumer A's creditor(s), in violation of RSA 399-D:15,I(b).

22 26. On June 1, 2011, the Department sent a letter via U.S. Mail Return  
23 Receipt requested to Respondent Emico's and Respondent Acushield's  
24 registered agent in Carson City, Nevada, suggesting Respondents apply for  
25 licensure with the Department and provide requested documentation. The

1 letter was returned to the Department on June 13, 2011 as "return to sender;  
2 not deliverable as addressed; unable to forward."

3 27. On June 1, 2011, the Department sent letters via U.S. Mail Return  
4 Receipt requested to Respondent Segonzac, Respondent Fender and Respondent  
5 Barnes in Las Vegas, Nevada, suggesting Respondents apply for licensure with  
6 the Department and provide requested documentation. The letters were  
7 returned to the Department on June 9, 2011 as "return to sender; attempted -  
8 not known; unable to forward."

9 28. On June 1, 2011, the Department sent a letter via U.S. Mail Return  
10 Receipt requested to Respondent Acushield in San Diego, California,  
11 suggesting Respondents apply for licensure with the Department and provide  
12 requested documentation. The letter was returned to the Department on June  
13 9, 2011 as "return to sender; not deliverable as addressed; unable to  
14 forward."

15 29. To date, Respondents have failed to respond or to provide any of the  
16 information requested by the Department, in violation of RSA 399-D:22,VIII.

17 30. To date, Respondents have failed to return the \$12,276.61 Consumer A  
18 paid Respondents.

19 31. The Respondents contracted with at least one (1) New Hampshire  
20 consumer to provide unlicensed debt adjustment services in violation of RSA  
21 399-D:3,I.

22 \_\_\_\_\_ /s/  
23 Maryam Torben Desfosses  
24 Hearings Examiner

\_\_\_\_\_ 10/31/11  
Date

ORDER

32. **I hereby find as follows:**

a. Pursuant to RSA 399-D:13,I, the facts as alleged above, if true, show Respondents are operating or have operated in violation of RSA Chapter 399-D and form the legal basis for this Order;

b. Pursuant to 399-D:25,VI, this Order is necessary and appropriate to the public interest and for the protection of consumers and consistent with the purpose and intent of New Hampshire banking laws;

c. The Department finds pursuant to RSA 399-D:23,II reasonable cause to issue an order to cease and desist; and

d. Pursuant to RSA 399-D:13,I and RSA 399-D:23,II, if any Respondent fails to respond to this Order and/or defaults then all facts as alleged herein are deemed as true.

33. **Accordingly, it is hereby ORDERED that:**

a. Respondents shall cease and desist from violating RSA Chapter 399-D and rules or orders thereunder;

b. Respondents shall immediately provide the Department a list of all New Hampshire consumers for whom Respondents have conducted or contracted to conduct debt adjustment activities. This list must include the names and contact information of the New Hampshire consumers, along with all monies charged, collected, and waived (if applicable). The list shall also be accompanied by all contracts, checks to and from the consumer and any other documents in the New Hampshire consumers' files;

c. Respondents shall show cause why the Commissioner should not enter an order of rescission, restitution, or disgorgement of profits in the



1 amount of at least \$12,276.61 (Consumer A);

2 d. Respondents shall show cause why an administrative fine of up to  
3 a maximum of \$2,500.00 per violation should not be imposed as follows:

4 (1). Respondent Acushield:

5 Violation #1: Unlicensed activity as a debt adjuster (RSA  
6 399-D:3,I) - 1 count;

7 Violation #2: Collecting a Fee prior to payment to  
8 creditors (RSA 399-D:14,I) - 1 count;

9 Violation #3: Collecting a Fee without consent of the  
10 creditors (RSA 399-D:14,II) - 1 count;

11 Violation #4: Failure to make payment to creditors within  
12 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
13 count;

14 Violation #5: Failure to provide documents (RSA 399-  
15 D:22,VIII) - 1 count;

16 (2). Respondent Emico:

17 Violation #1: Unlicensed activity as a debt adjuster (RSA  
18 399-D:3,I) - 1 count;

19 Violation #2: Collecting a Fee prior to payment to  
20 creditors (RSA 399-D:14,I) - 1 count;

21 Violation #3: Collecting a Fee without consent of the  
22 creditors (RSA 399-D:14,II) - 1 count;

23 Violation #4: Failure to make payment to creditors within  
24 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
25 count;

1 Violation #5: Failure to provide documents (RSA 399-  
2 D:22,VIII) - 1 count;

3 (3). Respondent Best Debt:

4 Violation #1: Unlicensed activity as a debt adjuster (RSA  
5 399-D:3,I) - 1 count;

6 Violation #2: Collecting a Fee prior to payment to  
7 creditors (RSA 399-D:14,I) - 1 count;

8 Violation #3: Collecting a Fee without consent of the  
9 creditors (RSA 399-D:14,II) - 1 count;

10 Violation #4: Failure to make payment to creditors within  
11 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
12 count;

13 Violation #5: Failure to provide documents (RSA 399-  
14 D:22,VIII) - 1 count;

15 (4). Respondent Segonzac (as Control Person and Principal):

16 Violation #1: Unlicensed activity as a debt adjuster (RSA  
17 399-D:3,I) - 1 count;

18 Violation #2: Collecting a Fee prior to payment to  
19 creditors (RSA 399-D:14,I) - 1 count;

20 Violation #3: Collecting a Fee without consent of the  
21 creditors (RSA 399-D:14,II) - 1 count;

22 Violation #4: Failure to make payment to creditors within  
23 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
24 count;

25 Violation #5: Failure to provide documents (RSA 399-

1 D:22,VIII) - 1 count;

2 (5). Respondent Fender (as Control Person and Principal):

3 Violation #1: Unlicensed activity as a debt adjuster (RSA  
4 399-D:3,I) - 1 count;

5 Violation #2: Collecting a Fee prior to payment to  
6 creditors (RSA 399-D:14,I) - 1 count;

7 Violation #3: Collecting a Fee without consent of the  
8 creditors (RSA 399-D:14,II) - 1 count;

9 Violation #4: Failure to make payment to creditors within  
10 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
11 count;

12 Violation #5: Failure to provide documents (RSA 399-  
13 D:22,VIII) - 1 count;

14 (6). Respondent Medlen (as Control Person and Principal):

15 Violation #1: Unlicensed activity as a debt adjuster (RSA  
16 399-D:3,I) - 1 count;

17 Violation #2: Collecting a Fee prior to payment to  
18 creditors (RSA 399-D:14,I) - 1 count;

19 Violation #3: Collecting a Fee without consent of the  
20 creditors (RSA 399-D:14,II) - 1 count;

21 Violation #4: Failure to make payment to creditors within  
22 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
23 count;

24 Violation #5: Failure to provide documents (RSA 399-  
25 D:22,VIII) - 1 count;

1 (7). Respondent Barnes (as Control Person and Principal):

2 Violation #1: Unlicensed activity as a debt adjuster (RSA  
3 399-D:3,I) - 1 count;

4 Violation #2: Collecting a Fee prior to payment to  
5 creditors (RSA 399-D:14,I) - 1 count;

6 Violation #3: Collecting a Fee without consent of the  
7 creditors (RSA 399-D:14,II) - 1 count;

8 Violation #4: Failure to make payment to creditors within  
9 10 days after receipt of funds (RSA 399-D:15,I(b)) - 1  
10 count;

11 Violation #5: Failure to provide documents (RSA 399-  
12 D:22,VIII) - 1 count;

13 e. Nothing in this Order:

14 (1). shall prevent the Department from taking any further  
15 administrative and legal action as necessary under New Hampshire law; and

16 (2). shall prevent the New Hampshire Office of the Attorney  
17 General from bringing an action against the above named Respondents in any  
18 New Hampshire superior court, with or without prior administrative action by  
19 the Commissioner.

20  
21 **SO ORDERED.**

22 \_\_\_\_\_  
23 /s/  
24 RONALD A. WILBUR  
25 BANK COMMISSIONER

Dated: 11/01/2011