

1 State of New Hampshire Banking Department

2 In re the Matter of:)Case No.: 10-164
)
 3 State of New Hampshire Banking)
)
 4 Department,)
)
 5 Petitioner,)Consent Order
)
 6 and)
)
 7 Preferred Financial Services Corporation)
)
 8 (d/b/a Preferred Financial Services of)
)
 9 Massachusetts),)
)
 10 Respondent)
)

11 CONSENT ORDER

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

14 **Respondent**

- 15 1. Preferred Financial Services Corporation (d/b/a Preferred Financial
 16 Services of Massachusetts) ("Preferred Financial") is a corporation
 17 duly formed in the State of Massachusetts on January 9, 2003 with its
 18 principal office location in Andover, Massachusetts. Preferred
 19 Financial registered with the New Hampshire Secretary of State on
 20 September 29, 2010, was administratively dissolved on August 1, 2011
 21 and re-qualified on August 12, 2011.
- 22 2. Preferred Financial has never been licensed as a Debt Adjuster by the
 23 Department. Preferred Financial's Debt Adjuster license with the
 24 Department is pending execution of this Consent Order regarding
 25 unlicensed activity.

1 **Jurisdiction**

2 3. The Department is authorized to regulate debt adjusters pursuant to
3 RSA Chapter 399-D. RSA 399-D:1 and RSA 399-D:3.

4 4. The Commissioner has jurisdiction to issue orders to show cause and to
5 cease and desist from violations under RSA Chapter 399-D and to
6 revoke, deny, or suspend a license of a licensee and/or assess
7 penalties pursuant to RSA Chapter 399-D. Chapter 399-D. RSA 399-D:13
8 and RSA 399-D:23.

9 **Facts**

10 5. Since at least February 12, 2010, Preferred Financial has been
11 conducting debt adjuster activity for New Hampshire consumers without
12 a valid Debt Adjuster license issued by the Department.

13 6. Since at least February 12, 2010 to the present, Preferred Financial
14 has conducted and has been conducting unlicensed debt adjuster
15 activity for eleven (11) New Hampshire consumers (Consumers 1 through
16 11). Fees charged and collected by Preferred Financial for Consumers
17 1 through 11 total \$29,754.08 as follows:

18 Consumer 1: \$1,354.17;	Consumer 7: \$1,388.85;
19 Consumer 2: \$8,492.91;	Consumer 8: \$2,744.80;
20 Consumer 3: \$2,055.25;	Consumer 9: \$4,090.12;
21 Consumer 4: \$3,464.86;	Consumer 10: \$192.85; and
22 Consumer 5: \$2,265.13;	Consumer 11: \$0.00.
23 Consumer 6: \$1,799.68;	

24 7. During the request for information, Preferred Financial cooperated and
25 provided the information to show it did conduct business in New

1 Hampshire prior to obtaining a Debt Adjuster license from the
2 Department.

3 **Violation(s) of Law and Penalties**

- 4 8. Preferred Financial is a "Person" as defined by RSA 399-D:2,VII.
5 9. Preferred Financial may be assessed an administrative fine not to
6 exceed \$2,500.00 for each violation of RSA Chapter 399-D. RSA 399-
7 D:24,IV.

8 **Respondent's Consent**

- 9 10. Preferred Financial does not deny the facts, statements, or violations
10 contained herein and Preferred Financial hereby agrees to the entry of
11 this Consent Order.
12 11. Preferred Financial has voluntarily entered into this Consent Order
13 without reliance upon any discussions between the Department and
14 Preferred Financial, without promise of a benefit of any kind (other
15 than concessions contained in this Consent Order), and without
16 threats, force, intimidation, or coercion of any kind. Preferred
17 Financial further acknowledges its understanding of the nature of the
18 allegations set forth in this action, including the potential
19 penalties provided by law.
20 12. Preferred Financial hereby acknowledges, understands, and agrees that
21 there is the right to notice, hearing, and/or a civil action and
22 hereby waives said rights.

23 **Order**

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

1 the intent and purposes of New Hampshire banking laws, the Department
2 Orders as follows:

3 a. Preferred Financial shall reimburse Consumers 1 through 11 the
4 fees charged as described in Paragraph 6 above, payable
5 contemporaneously with Preferred Financial's signing of this
6 Consent Order. Each check should be made out to the specific
7 consumer and submitted to the Department along with current
8 contact information to forward to the consumer;

9 b. Preferred Financial shall pay to the Department \$2,500.00 in
10 administrative penalties for unlicensed activity in 2010 through
11 2011, payable contemporaneously with Preferred Financial's
12 signing of this Consent Order; and

13 c. All checks shall be bank check or guaranteed funds and made
14 payable to "State of New Hampshire".

15 14. This Consent Order may be revoked and the Department may pursue any
16 and all remedies available under law, if the Department later finds
17 that Preferred Financial knowingly or willfully withheld information
18 used and relied upon in this Consent Order.

19 15. This Consent Order is binding on all heirs, assigns, and/or successors
20 in interest.

21 16. This Consent Order shall become effective upon the date the
22 Commissioner signs this Consent Order.

23 17. Once this Consent Order is effective, the Department agrees not to
24 seek further reimbursement, refunds, penalties, fines, costs, or fees
25 regarding the facts, allegations, or findings of violations contained

