

1 State of New Hampshire Banking Department

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3 In re the Matter of:) Case No.: 08-288
)
 4 State of New Hampshire Banking)
)
 5 Department,) Consent Order
)
 6 Petitioner,)
)
 7 and)
)
 8 JHass Group L.L.C. (d/b/a JDH)
)
 9 Associates, LLC), Jason David Hass,)
)
 10 Jeffrey Michael Hass, and Jeremy Ryan)
)
 11 Hass,)
)
 12 Respondents)
)

13
14 CONSENT ORDER

15 I. This Consent Order (hereinafter referred to as "Consent Order") is
 16 entered between the New Hampshire Banking Department ("the
 17 Department"), Respondent JHass Group L.L.C. (d/b/a JDH Associates,
 18 LLC) ("Respondent JHass Group"), Respondent Jason David Hass
 19 ("Respondent J.D. Hass"), Respondent Jeffrey Michael Hass ("Respondent
 20 J.M. Hass") and Respondent Jeremy Ryan Hass ("Respondent J.R. Hass")
 21 (collectively, "Respondents"). Respondents do hereby stipulate and
 22 agree to the following:

- 23 1. The term "this matter" shall refer to Respondents' unlicensed
 24 debt adjustment activity in the State of New Hampshire from
 25 at least 2007.

- 1 2. The Department is authorized by New Hampshire RSA 399-D:1 to
2 regulate debt adjustment services performed in the State of
3 New Hampshire or on behalf of a person located in the State
4 of New Hampshire.
- 5 3. RSA 399-D:19,IV authorizes the Department to investigate
6 alleged violations of laws or rules or orders to determine
7 whether any person has violated or is about to violate any
8 provision of RSA Chapter 399-D, rule or order given under RSA
9 Chapter 399-D or other applicable state and federal laws and
10 regulations.
- 11 4. RSA 399-D:22 authorizes the Department to perform
12 examinations of Respondents' debt adjustment business.
- 13 5. Respondents acknowledge that RSA 399-D:14,I states in part
14 that "No licensee shall be entitled to any fee against the
15 debtor, upon any contract, until the debt adjustment program
16 is arranged and approved by the debtor."
- 17 6. Respondents acknowledge that RSA 399-D:2,IV(e) states the
18 definition of debt adjustment includes a person engaging in
19 the debt adjustment business including but not limited to
20 acting upon outstanding debt adjustment contracts.
- 21 7. This matter concerns at least twelve (12) New Hampshire
22 consumers ("debtors") whose fees Respondents shall refund
23 pursuant to the Department's initial investigation of this
24 matter.

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1 8. Respondents have a pending debt adjuster license with the
2 Department. However, Respondents have previously and are
3 currently conducting debt adjustment activity in the State of
4 New Hampshire without a license.

5 9. The Department and Respondents would like to avoid formal
6 proceedings, and further expense, and to finally resolve this
7 matter under the terms and conditions set forth below.

8 10. The terms of this Consent Order are a fair and reasonable
9 disposition of this matter and are in the public interest.

10 11. In consideration of the mutual promises and representations
11 set forth herein, and in further consideration of the
12 Department's reliance upon the substantial accuracy and good
13 faith of the representations and submissions made to it by
14 Respondents, the Department and Respondents intending to be
15 legally bound herein, agree to the terms and conditions
16 below.

17 II. For purposes of amicably resolving and closing the above-referenced
18 matter, the above named Respondents and the Department hereby agree to
19 the following terms and conditions:

20 1. Respondents agree that they have voluntarily entered into
21 this Agreement without reliance upon any discussions between
22 the Department and Respondents, without promise of a benefit
23 of any kind (other than concessions contained in this Consent
24 Order) and without threats, force, intimidation, or coercion
25 of any kind. Respondents further acknowledge their

1 understanding of the nature of the offenses alleged herein,
2 including the penalties provided by law.

3 2. Respondents agree to waive any and all rights to a hearing
4 and appeal thereof.

5 3. Respondents agree that they will not deny the factual basis
6 for this Consent Order to which they have stipulated above
7 and will not give conflicting statements about such facts or
8 their involvement in the stipulated facts.

9 4. Respondents agree that all terms of this Consent Order are
10 contractual and none is a mere recital.

11 5. Respondent JHass Group represents and warrants that it has
12 all the necessary rights, powers and ability to carry out all
13 of the terms of this Consent Order which are applicable to
14 Respondent JHass Group.

15 6. Respondent J.D. Hass (as C.E.O.) represents and warrants that
16 he has all the necessary rights, powers and ability to carry
17 out all of the terms of this Consent Order which are
18 applicable to Respondent J.D. Hass.

19 7. Respondent J.M. Hass (as C.O.O.) represents and warrants that
20 he has all the necessary rights, powers and ability to carry
21 out all of the terms of this Consent Order which are
22 applicable to Respondent J.M. Hass.

23 8. Respondent J.R. Hass (C.M.O.) represents and warrants that he
24 has all the necessary rights, powers and ability to carry out
25 all of the terms of this Consent Order which are applicable

1 to Respondent J.R. Hass.

2 9. Respondents represent and warrant that they can accomplish
3 the full relief contemplated and required herein and that all
4 parents, subsidiaries, affiliates, and successors necessary
5 to effectuate the full relief contemplated by this Consent
6 Order are parties to this Consent Order.

7 10. Respondents represent and warrant that they have obtained all
8 third-party approvals necessary to comply with the Consent
9 Order.

10 11. Respondents acknowledge that the Department is relying upon
11 the representations and warranties of Respondents, stated
12 herein, in making its determination in this matter.

13 12. Respondents agree to cease and desist from violating RSA
14 Chapter 399-D, and any rules or orders thereunder.

15 13. Subject to the terms of this Consent Order, Respondents
16 consent to the entry of an administrative penalty of
17 \$2,000.00, which shall be paid to the Department
18 contemporaneously with the execution of this Consent Order.

19 14. Subject to the terms of this Consent Order, Respondents agree
20 to immediately pay \$600.00 to the Department. The amount
21 represents the back license fee of \$500.00 for the current
22 year and \$100.00 for the previous year Respondents conducted
23 debt adjustment activity in the State of New Hampshire
24 without a required license and hadn't paid such licensing
25 fees.

1 15. Respondents agree to immediately refund the following twelve
2 (12) consumers the fees charged (totaling \$31,986.97), such
3 amounts of which shall be paid contemporaneously with the
4 execution of this Consent Order:

- 5 a. Consumer A = \$2,413.41;
- 6 b. Consumer B = \$3,967.51;
- 7 c. Consumer C = \$3,241.50;
- 8 d. Consumer D = \$3,618.51;
- 9 e. Consumer E = \$2,537.88;
- 10 f. Consumer F = \$3,824.12;
- 11 g. Consumer G = \$2,843.89;
- 12 h. Consumer H = \$753.80;
- 13 i. Consumer I = \$2,182.31;
- 14 j. Consumer J = \$2,418.44;
- 15 k. Consumer K = \$1,684.37; and
- 16 l. Consumer L = \$2,501.23;

17 16. Respondents acknowledge the amounts to be paid above exclude
18 any fees incurred as a result of a pre-licensing examination
19 the above named Respondents hereby agree will be conducted by
20 the Department.

21 17. Respondents agree to amend their consumer debt adjustment
22 contract ("Contract") to comply with RSA Chapter 399-D,
23 including but not limited to addressing the following:

- 24 a. the Contract must include an end date;

1 b. Item 10 of the Contract entitled "Cancellations"

2 must be amended to state that Respondent JHass Group
3 can keep no more than \$50 upon a consumer's
4 cancellation or pre-payment;

5 c. the Contract cannot include an administrative fee

6 charge because Respondents can only collect a
7 deposit not to exceed \$25.00 and must be held in
8 escrow by the Respondent JHass Group. If the debtor
9 fulfills the conditions of the Contract, this
10 deposit must be returned to the debtor; and

11 d. The maintenance fee and professional fee must be

12 amortized equally each month over the length of the
13 Contract.

14 18. Respondents acknowledge that failure to make payment as
15 agreed above may result in civil and/or criminal penalties.

16 19. Respondents agree to sign and return this Consent Order along
17 with the penalties and monies listed above to the Department
18 on or before 4:30 p.m. on February 2, 2010 or the Department
19 shall withdraw this offer and issue an enforcement order.

20 20. Respondents agree to complete and submit the following
21 documents to the Department's Licensing Division:

22 a. copy of the error and omissions policy;

23 b. copy of contracts used by New Hampshire consumers
24 with the correct business name of JHass Group
25 L.L.C.;

1 c. a current financial statement, which if it is not
2 audited, Respondents must provide an attestation
3 that it is true and accurate to the best of
4 Respondents' belief and knowledge and signed by a
5 member of the LLC;

6 d. a writing stating that Respondents have read and
7 understood RSA 399-D:14, especially Paragraph III,
8 which lists fees received by a licensee shall be
9 based on the amount required to pay indebtedness and
10 shall not exceed:

11 (1). 10% when the plan of payment is for a period of
12 10 months or less;

13 (2). 12% when the plan of payment for a period of
14 more than 10 months but less than 18 months; and

15 (3). 15% when the plan of payment is for a period of
16 18 months or more;

17 e. a writing stating that Respondents have read and
18 understood RSA 399-D:20 regarding contractual time
19 period; and

20 f. copies of the books and records regarding New
21 Hampshire consumers from January 2007 to the present
22 date, which should also include the accounts payable
23 and accounts receivable in the same timeframe.

24 21. Upon completion of all the requirements within this Consent
25 Order, including submittal of the documents listed in
Paragraph 20 above, the Department shall, if all statutory

1 requirements have been met, issue a debt adjuster license to
2 Respondent JHass Group.

3 22. This Consent Order shall become effective immediately upon
4 the date of its issuance, which is upon the Commissioner's
5 signature.

6 23. The provisions of this Consent Order shall remain effective
7 and enforceable except to the extent that, and until such
8 time as, any provisions of this Consent Order shall have been
9 modified, terminated, suspended, or set aside by the Bank
10 Commissioner or upon an order of a court of competent
11 jurisdiction.

12 III. This Agreement represents the complete and final resolution of, and
13 discharge of any basis for any civil or administrative proceeding by
14 the Department against the Respondents for violations arising as a
15 result of or in connection with any actions or omissions by the
16 Respondents through the date of this Consent Order as it applies to
17 the allegations in this matter; provided, however, this release does
18 not apply to facts not known by the Department or not otherwise
19 provided by the Respondents to the Department as of the date of this
20 Consent Order nor to actions for restitution under RSA 383:10-d
21 (excluding restitution provided previously), or any possible actions
22 related to the examination to be completed prior to licensure with the
23 Department. Such facts would include, but not be limited to, any
24 consumer harm from Respondents' actions. The Department expressly
25 reserves its right to pursue any administrative, civil or criminal

1 Executed this 3rd day of February, 2010 by

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3 _____ /s/

4 Respondent Jeremy Ryan Hass, Chief Management Officer

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6 **SO ORDERED,**

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8 Recommended this 12th day of February, 2010 by

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11 _____ /s/

12 Peter C. Hildreth,
13 Bank Commissioner

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16 **NOTE: VIOLATION OF A CEASE AND DESIST ORDER IS A CRIMINAL**

17 **OFFENSE.**

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