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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :
DEPARTMENT OF BANKING AND :
SECURITIES, COMPLIANCE OFFICE :

v. :

DOCKET NO. 18 0003 (BNK-CAO)

NEW ERA GROUP INC. :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Compliance Office ("Office"), has reviewed the business practices of New Era Group Inc. ("NEG"), and its officers, employees and directors. Based on the results of its review, together with certain disclosures NEG has made to the Department, the Office believes that NEG inadvertently operated in violation of the Debt Settlement Services Act, ("DSSA"), 63 P.S. § 2501 et seq. NEG agrees to enter into this Consent Agreement and Order ("Order") without admitting to any wrongdoing. The parties to the above captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter, and intending to be legally bound, hereby agree to the terms of this Order.

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the DSSA.
2. The Office is primarily responsible for administering and enforcing the DSSA for the Department.
3. NEG's principal place of business is located at 330 Wood Road, Suite B, Camarillo, CA 93010.

Unlicensed Period

4. The DSSA became effective on January 1, 2015.

5. The DSSA requires anyone marketing, soliciting, offering to provide or providing debt settlement services for a fee or other consideration to an individual residing in Pennsylvania at the time of the agreement to be licensed. 63 P.S. § 2521.

6. NEG is not, and never has been licensed under the DSSA.

7. On or around late July 2017, the Department contacted NEG and notified it of the licensing requirement.

8. On or around October 2, 2017, NEG submitted an application (“Application”) for a debt settlement services license which is currently being reviewed.

9. NEG disclosed to the Department that NEG was not aware of the licensing requirement and that it had operated as a debt settlement services company in Pennsylvania without being licensed to do so starting in October 2014 through November 1, 2014 when the law went into effect.

10. NEG ceased accepting new clients when it learned of the licensing requirement but has continued to serve its existing clients.

Authority of the Department

11. The DSSA grants the Department the authority to issue orders as may be necessary for enforcement. 63 P.S. § 2571.

12. The Department may “impose a civil penalty of up to \$10,000 for each violation of this act.” 63 P.S. § 2574.

VIOLATION

13. NEG violated the DSSA when it engaged in the business of a debt settlement services company while unlicensed. 63 P.S. § 2521.

RELIEF

14. Fine. NEG agrees to pay a fine of seventy thousand dollars (\$70,000) in twelve monthly payments of \$5,833.33 with the first payment being due thirty (30) days after the Effective Date of the Order as defined in paragraph 23 below. The fine payment shall be remitted by company check, certified check or money order made payable to the “Department of Banking and Securities” and sent to the

attention of: Department of Banking and Securities, Compliance Office, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101-2290.

15. Corrective Action. Upon the Effective Date of this Order, NEG shall not engage in the business of a debt settlement services company in Pennsylvania unless it is licensed.

16. As noted above, NEG submitted a license application on or around October 2, 2017. NEG shall complete the licensing process within 30 days of the Effective Date of this Order. In order to avoid inconvenience to NEG's Pennsylvania clients, the Department shall not require NEG to divest itself of its Pennsylvania clients as long as NEG obtains a Pennsylvania license to act as a debt settlement company within 30 days of the Effective Date of this Order.

FURTHER PROVISIONS

17. Consent. NEG hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the DSSA and agrees that it understands all of the terms and conditions contained herein. NEG, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

18. Consumer's Rights. The Order shall not limit or impair a consumer's rights under the DSSA. 63 P.S. § 2525.

19. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking and Securities Code. 71 P.S. § 733-302.A.(5).

20. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Office and NEG.

21. Binding Nature. The Department, NEG, and all officers, owners, directors, employees, heirs and assigns of NEG intend to be and are legally bound by the terms of this Order.

22. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

23. Effectiveness. NEG hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order (“Effective Date”).

24. Other Enforcement Action.

- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against NEG in the future regarding all matters not resolved by this Order.
- b. NEG acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

25. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

26. Counterparts. This Order may be executed in separate counterparts and by facsimile or electronic mail in portable document format “PDF.”

27. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department of Banking and Securities, Compliance Office and New Era Group Inc. intending to be legally bound do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
BANKING AND SECURITIES,
COMPLIANCE OFFICE**

Redacted

James Keiser, Chief
Compliance Office
Department of Banking and Securities

Date: January 12, 2018



FOR NEW ERA GROUP INC.

Redacted

(Officer Signature)

DAN SMITH

(Print Officer Name)

PRESIDENT

(Title)

Date: 01-11-18