



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

2785 E. Desert Inn Road, Suite 180
Las Vegas, Nevada 89121
(702) 486-4120

1179 Fairview Drive, Ste 201
Carson City, Nevada 89701
(775) 687-5522

In Re:

NetDebt LLC d.b.a. Debt Mediation
Initiative a.k.a. DMI

Respondent.

**ORDER TO CEASE AND DESIST
UNLICENSED ACTIVITIES AND
NOTICE OF RIGHT TO APPEAL**

The State of Nevada Department of Business and Industry, Financial Institutions Division (hereinafter "Division") hereby orders NetDebt LLC d.b.a. Debt Mediation Initiative a.k.a. DMI (hereafter "Respondent") to cease and desist from any and all activities which are covered under Nevada Revised Statutes (NRS) Chapter 676A.

JURISDICTION

1. The business of debt management means services as an intermediary between an individual and one or more creditors of the individual for the purpose of obtaining concessions and includes credit counseling, the development and implementation of debt-management plans and debt settlement services is governed by chapter 676A of the Nevada Revised Statutes (NRS) and chapter 676A of the Nevada Administrative Code (NAC). The Division has primary jurisdiction for the licensing and regulation of persons operating and/or engaging in collection services NRS 6767A.300.

2. Pursuant to the authority vested by NRS Chapter 676A, the Division hereby makes the following Findings of Fact, Conclusions of Law, and Order.

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1 **FINDINGS OF FACT**

2 3. Respondent NetDebt LLC d.b.a. Debt Mediation Initiative a.k.a. DMI is not
3 registered with the State of Nevada Secretary of State.

4 4. Respondent's business address is 15305 Dallas Pkwy #300, Addison, TX
5 75001-6470.

6 5. Respondent is not now and has never been licensed as a uniform debt-
7 management services company by the Division.

8 6. Respondent engaged in the business as uniform debt-management services in
9 the State of Nevada without first obtaining a license to do so.

10 7. Respondent's actions are a willful and intentional violation of the laws of the
11 State of Nevada.

12 8. If any finding of fact is more properly characterized as a conclusion of law, it
13 shall be considered as such.

14 **CONCLUSIONS OF LAW**

15 9. NRS 676A.300(1) reads as follows:

16 1. Except as otherwise provided in subsection 2, a provider may
17 not provide debt-management services to an individual who it
18 reasonably should know resides in this State at the time it agrees
to provide the services, unless the provider is registered under this
chapter.

19 10. NRS 676A.730 provides the Commissioner to take disciplinary action for any
20 violation of NRS Chapter 676A.

21 1. The Commissioner may act on his or her own initiative or in
22 response to complaints and may receive complaints, take action to
23 obtain voluntary compliance with this chapter, refer cases to the
Attorney General and seek or provide remedies as provided in this
chapter.

24 2. The Commissioner may investigate and examine, in this State
25 or elsewhere, by subpoena or otherwise, the activities, books,
26 accounts and records of a person that provides or offers to provide
27 debt-management services, or a person to which a provider has
delegated its obligations under an agreement or this chapter, to
28 determine compliance with this chapter. Information that identifies
individuals who have agreements with the provider must not be

1 disclosed to the public. In connection with the investigation, the
Commissioner may:

2 (a) Charge the person the reasonable expenses necessarily
incurred to conduct the examination;

3 (b) Require or permit a person to file a statement under oath as
to all the facts and circumstances of a matter to be investigated;

4 (c) Seek a court order authorizing seizure from a bank at which
5 the person maintains a trust account required by NRS 676A.570,
6 any or all money, books, records, accounts and other property of
the provider that is in the control of the bank and relates to
individuals who reside in this State.

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8 3. The Commissioner may adopt regulations to implement the
provisions of this chapter.

9 4. The Commissioner may enter into cooperative arrangements
with any other federal or state agency having authority over
10 providers and may exchange with any of those agencies
information about a provider, including, without limitation,
11 information obtained during an examination of the provider.

12 5. The Commissioner, by regulation, shall establish reasonable
fees to be paid by providers for the expense of administering this
13 chapter. The Commissioner may, in his or her discretion, establish
a reduced fee schedule for providers that are qualified nonprofit
14 entities.

15 6. The Commissioner, by regulation, shall adopt dollar amounts
16 instead of those specified in NRS 676A.030, 676A.310,
676A.350, 676A.390, 676A.580, 676A.740 and 676A.760 to reflect
17 inflation, as measured by the Consumer Price Index for All Urban
Consumers, published by the United States Department of Labor,
18 or, if that Index is not available, another index adopted by
regulation by the Commissioner. The Commissioner shall adopt a
19 base year and adjust the dollar amounts, effective on July 1 of
each year, if the change in the index from the base year, as of
20 December 31 of the preceding year, is at least 10 percent. The
dollar amount must be rounded to the nearest \$100, except that
21 the amounts in NRS 676A.580 must be rounded to the nearest
22 dollar.

23 7. The Commissioner shall notify registered providers of any
24 change in dollar amounts made pursuant to subsection 6 and
make that information available to the public.

25 8. The Commissioner, by regulation, may:

26 (a) Require a provider to make additional disclosures before an
27 individual assents to an agreement, including, without limitation,
disclosures that:

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1 (1) Nothing in the agreement requires the individual's
creditors to accept payments pursuant to a plan.

2 (2) Nothing in the agreement prevents creditors of the
3 individual from pursuing collection efforts, including, without
4 limitation, telephone calls for the purpose of collecting a debt, and
that creditors may sue the individual for any debt that remains
unpaid.

5 (3) The provider cannot provide legal services or advice
and, if the individual is sued, the individual should seek legal
6 services or advice.

7 (4) The provider is not a credit repair organization and does
not claim that the plan will have a positive impact on the credit
8 score of the individual.

9 (5) If an agreement contemplates that a provider will
develop and implement a debt-management plan, a creditor may
10 be included in the debt-management plan even if the creditor does
not make a contribution.

11 (b) Establish any requirements and prohibitions with respect to
advertising by providers which do not violate the Nevada
12 Constitution or the Constitution of the United States. Such
regulations may include, without limitation, a requirement that a
13 provider submit all advertising used by the provider to the
Commissioner within 30 days after the first publication of the
14 advertisement.

15 11. Pursuant to NRS 676A.740, the Commissioner may enforce this chapter and
16 regulations adopted under this chapter by taking one or more of the following actions:

17 (a) Ordering a provider or a director, employee or other agent of
18 a provider to cease and desist from any violations;

19 (b) Ordering a provider or a person that has caused a violation to
correct the violation, including, without limitation, making restitution
20 of money or property to a person aggrieved by a violation;

21 (c) Subject to adjustment of the dollar amount pursuant to
subsection 6 of NRS 676A.730, imposing on a provider or a
22 person that has caused a violation a civil penalty not to exceed
\$10,000 for each violation;

23 (d) Prosecuting a civil action to:

24 (1) Enforce an order; or

25 (2) Obtain restitution or an injunction or other equitable relief,
or both; or

26 (e) Intervening in an action brought under NRS 676A.760.

27 12. Respondent has violated NRS 676A.300 by engaging in the business of a
28 uniform debt-management services in the State of Nevada via business solicitation.

1 13. Pursuant to NRS 676A.740, the Division hereby orders Respondent to cease
2 and desist all activity covered under NRS Chapter 676A.

3 14. Any conclusion of law which is more properly characterized as a finding of fact
4 shall be considered as such.

5 **ORDER**

6 IT IS HEREBY ORDERED that Respondent NetDebt LLC d.b.a. Debt Mediation
7 Initiative a.k.a. DMI shall **CEASE AND DESIST** from operating and/or engaging in the
8 business of "an intermediary between an individual and one or more creditors of the individual
9 for the purpose of obtaining concessions and includes credit counseling, the development
10 and implementation of debt-management plans and debt settlement services" pursuant to
11 NRS Chapter 676A.

12 DATED this 10th day of September, 2014.

13 STATE OF NEVADA
14 DEPARTMENT OF BUSINESS AND INDUSTRY
15 FINANCIAL INSTITUTIONS DIVISION

16 By: _____

17 Leonard J. Esterly, Jr.,
18 Deputy Commissioner
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1 **APPEAL RIGHTS**

2 **RESPONDENT HAS THE RIGHT TO REQUEST A HEARING IN THIS MATTER. If**

3 you wish to request a hearing you must file a request **within thirty (30) days** after this Order
4 to Cease and Desist was served on the Respondent.

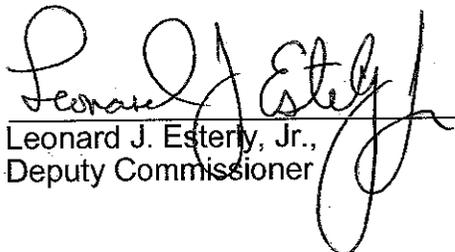
5 Your request for a hearing must be delivered to:

6 STATE OF NEVADA
7 DEPARTMENT OF BUSINESS AND INDUSTRY
8 FINANCIAL INSTITUTIONS DIVISION
9 2785 E. Desert Inn Road, Suite 180
10 Las Vegas, Nevada 89121

11 Other important rights you have are listed in Nevada Revised Statutes Chapters 676A
12 and 233B and the Nevada Administrative Code Chapter 676A.

13 DATED this 10th day of September, 2014.

14 STATE OF NEVADA
15 DEPARTMENT OF BUSINESS AND INDUSTRY
16 FINANCIAL INSTITUTIONS DIVISION

17 By: 

18 Leonard J. Esterly, Jr.,
19 Deputy Commissioner
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1 **CERTIFICATE OF SERVICE**

2 I certify that I am an employee of the State of Nevada, Department of Business and
3 Industry, Financial Institutions Division, and that on 10th day of September, 2014, I deposited
4 in the U.S. mail, postage prepaid, via First Class Mail and Certified Return Receipt
5 Requested, a true and correct copy of the foregoing **ORDER TO CEASE AND DESIST**
6 **UNLICENSED ACTIVITIES AND NOTICE OF RIGHT TO APPEAL**, addressed as follows:

7
8 Mr. Rick Burton
9 NetDebt LLC
10 d.b.a. Debt Mediation Initiative
11 a.k.a. DMI
12 15305 Dallas Pkwy #300
13 Addison, TX 75001-6470

14 Certified Mail: 7013 1090 00001697 6026

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