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**IN THE MATTER OF:**

**ZIONS DEBT HOLDINGS, LLC**

**NMLS # 1906874**

**(“Zions”)**

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**CONSENT ORDER**

**WHEREAS**, the Banking Commissioner (“Commissioner”) is charged with the administration of Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, “Consumer Collection Agencies”, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies;

**WHEREAS**, Zions is a Utah limited liability company with addresses at 299 E 950 S Orem, Utah, and 313 E 1200 S Suite 102, Orem, Utah;

**WHEREAS**, Zions has never been licensed to act as a consumer collection agency in Connecticut, nor is Zions otherwise exempt from licensure;

**WHEREAS**, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), conducted an investigation into the activities of Zions, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes or the Regulations of Connecticut State Agencies within the jurisdiction of the Commissioner (“Investigation”);

**WHEREAS**, as a result of such Investigation, on August 21, 2024, the Commissioner issued a Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to

Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively, “Order and Notice”) against Zions, which Order and Notice is incorporated by reference herein;

**WHEREAS**, the Commissioner alleged in the Order and Notice that Zions: (1) acted within this state as a consumer collection agency without a license, in violation of Section 36a-810(a) of the Connecticut General Statutes; (2) used false, deceptive or misleading representations in connection with the collection of a debt, including using a false representation or deceptive means to collect or attempt to collect a debt by holding itself out to Connecticut consumers as a consumer collection agency while unlicensed in Connecticut, in violation of subdivision (10) of Section 36a-809-11 of the Regulations of Connecticut State Agencies; and (3) made false statements in correspondence submitted to the Department during the Investigation, in violation of Section 36a-53a of the Connecticut General Statutes;

**WHEREAS**, the Commissioner asserted that the violations alleged in the Order and Notice formed the basis to issue an order to make restitution pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, an order to cease and desist against Zions pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty of up to One Hundred Thousand Dollars (\$100,000) per violation upon Zions pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

**WHEREAS**, on August 22, 2024, the Order and Notice was sent by certified mail, return receipt requested, to Zions (Certified Mail Nos. 70120470000147903539, 70120470000147903713, 70120470000147903720 and 70100290000274894746);

**WHEREAS**, on August 26, 2024, Zions received the Order and Notice;

**WHEREAS**, Zions did not request a hearing within the prescribed time period;

**WHEREAS**, Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

**WHEREAS**, the Commissioner and Zions acknowledge the possible consequences of further administrative proceedings, and Zions voluntarily agrees to consent to the entry of the sanctions imposed

below without admitting or denying the allegations in the Order and Notice and set forth herein, and solely for the purpose of obviating the need for further administrative proceedings concerning the allegations in the Order and Notice and set forth herein;

**WHEREAS**, the Commissioner and Zions now desire to resolve the matters alleged in the Order and Notice and set forth herein;

**WHEREAS**, Zions specifically assures the Commissioner that the violations alleged in the Order and Notice and set forth herein shall not occur in the future;

**WHEREAS**, Zions has represented to the Department that it has made restitution to Connecticut consumers, specifically that it has refunded all payments made by Connecticut consumers that were collected by Zions since August 20, 2019, and has provided evidence of such refunds to the Department;

**WHEREAS**, Zions, a manager of Mountain Run Solutions, LLC, NMLS # 1713381 (“Mountain Run”), specifically assures the Commissioner that Mountain Run has not acted as a consumer collection agency in Connecticut since its license expired on January 1, 2023;

**WHEREAS**, Zions agrees that the Order and Notice may be used in construing the Commissioner’s allegations described in this Consent Order and agrees to the language of this Consent Order;

**WHEREAS**, Zions acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and executes this Consent Order freely;

**WHEREAS**, Zions acknowledges that this Consent Order is a public record and is a reportable event for the purposes of the regulatory disclosure questions on the Nationwide Multistate Licensing System and Registry (“NMLS”), as applicable;

**AND WHEREAS**, Zions, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including an opportunity for a hearing as it pertains to the allegations in the Order and Notice and set forth herein, and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

## **CONSENT TO ENTRY OF SANCTIONS**

**WHEREAS**, Zions, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Zions shall cease and desist from: (a) acting as a consumer collection agency in this state without a license, in violation of Section 36a-801(a) of the Connecticut General Statutes; (b) using false deceptive or misleading representations in connection with the collection of a debt, including using a false representation or deceptive means to collect or attempt to collect a debt by holding itself out to Connecticut consumers as a consumer collection agency while unlicensed in Connecticut, in violation of subdivision (10) of Section 36a-809-11 of the Regulations; and (c) making false or misleading statements in correspondence submitted to the Department, in violation of 36a-53a of the Connecticut General Statutes;
2. Zions shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Twenty Thousand Dollars (\$20,000) as a civil penalty made payable in two (2) installments as follows: Ten Thousand Dollars (\$10,000) due no later than the date this Consent Order is executed by Zions, and Ten Thousand Dollars (\$10,000) due on or before January 1, 2025; and
3. No later than the date this Consent Order is executed by Zions, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", the sum of Eight Hundred Dollars (\$800) as payment for back licensing fees.

## **CONSENT ORDER**

**NOW THEREFORE**, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against Zions based upon the allegations contained in the Order and Notice and set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Zions based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Zions and reflected herein is subsequently discovered to be untrue;
3. Zions shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis. Except as specifically provided herein, Zions shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects Zions' (i) testimonial obligations; or (ii) right to take any legal or factual

position that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;

4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Zions and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Zions to apply for or obtain an initial license or renewal licenses under Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, provided that all applicable legal requirements for any such license are satisfied and the terms of this Consent Order are being followed;
5. This Consent Order shall be binding upon Zions and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut  
this 31st day of December 2024.

/s/  
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Jorge L. Perez  
Banking Commissioner

I, Chris Carter, state on behalf of Zions Debt Holdings, LLC that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Zions Debt Holdings, LLC; that Zions Debt Holdings, LLC agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Zions Debt Holdings, LLC voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/  
Name: Chris Carter  
Title: Owner  
Zions Debt Holdings, LLC

State of: Utah

County of: Utah

On this the 3 day of December 2024, before me, Kennedy Broderick, the undersigned officer, personally appeared Chris Carter, who acknowledged himself to be the owner of Zions Debt Holdings, LLC, a member managed/manager managed limited liability company, and that he/she as such Chris Carter, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself/herself as owner.

In witness whereof I hereunto set my hand.

/s/  
Notary Public  
Date Commission Expires: Aug 15, 2027