
IN THE MATTER OF:

**ZIONS DEBT HOLDINGS, LLC
NMLS # 1906874**

(“Respondent”)

**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

I. LEGAL AUTHORITY AND JURISDICTION

1. 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 (“Regulations”).

2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), has investigated the activities of Respondent to determine if it has violated, is violating or is about to violate the provisions of the Connecticut General Statutes or the Regulations within the jurisdiction of the Commissioner (“Investigation”).

3. As a result of the Investigation, the Commissioner has reason to believe that Respondent has violated Sections 36a-53a and 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations.

4. As a result of the Investigation, the Commissioner finds that the public welfare requires immediate action to issue a temporary order to cease and desist against Respondent from violating Sections 36a-53a and 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations, pursuant to Section 36a-52(b) of the Connecticut General Statutes.

5. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to make restitution against Respondent pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes.

6. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes.

7. As a result of the Investigation, the violations alleged by the Commissioner form the basis to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

II. MATTERS ASSERTED

8. Respondent is a Utah limited liability company with addresses at 299 E 950 S Orem, Utah, and 313 E 1200 S Suite 102, Orem, Utah.

9. Respondent has never been licensed to act as a consumer collection agency in Connecticut, nor is Respondent otherwise exempt from licensure.

Mountain Run Solutions, LLC

10. At all times relevant hereto, Respondent was a manager of Mountain Run Solutions, LLC f/k/a Perfection Collection, LLC d/b/a Perfection Collection Services, d/b/a PCS, NMLS # 1713381 (“Mountain Run”).

11. On December 28, 2020, Mountain Run entered into a Consent Order with the Commissioner, whereby it was alleged that Mountain Run acted as a consumer collection agency in Connecticut without a consumer collection agency license, in violation of Section 36a-801(a) of the Connecticut General Statutes, between February 1, 2019 and August 9, 2019, and whereby Mountain Run was ordered, among other sanctions, to cease and desist from further unlicensed consumer collection activity.

12. Mountain Run then became licensed to act as a consumer collection agency in Connecticut from August 19, 2021 until its license expired on January 1, 2023.

Recent Regulatory Action

13. On January 30, 2024, the State of Idaho Department of Finance issued an Order to Cease and Desist against Respondent, alleging that Respondent engaged in collection activities in Idaho without a license in violation of Section 26-2223 of the Idaho Code, and ordering that Respondent and its agents and employees immediately cease and desist from acts, practices, or omissions which constitute a violation of the Idaho Collection Agency Act, including specifically from engaging in collection activity in Idaho without the license required by such act.

Connecticut Consumer Complaints

14. On February 29, 2024, the Department received a complaint from a Connecticut consumer. A review of the complaint revealed that in February 2024, the consumer received text messages and e-mail correspondence from Respondent in which Respondent purported to be a collection agency and attempted to collect a debt for BH Security, LLC d/b/a Brinks Home Security, NMLS # 2368512 (“Brinks Home”). These communications claimed that the consumer’s account was scheduled to be reported to the credit bureaus on March 8, 2024.

15. The consumer acknowledged previously having an account with Protect America, Inc., which was later acquired by Brinks Home, but disputed that the debt was owed.

* * * * *

16. On March 14, 2024, the Department sent certified letters, return receipt requested, to Respondent at 313 E 1200 S Suite 102, Orem, Utah 84058, and P.O. Box 878, Spanish Fork, Utah 84660, notifying Respondent of its alleged violation of Section 36a-801(a) of the Connecticut General Statutes and providing Respondent an opportunity to respond. The letters additionally requested that Respondent provide detailed information regarding Connecticut consumer collection activity for the previous two years and required a written response from Respondent by April 4, 2024. Respondent failed to respond to the Department’s communication within the required time frame.

17. On April 30, 2024, as a result of further investigation into Respondent, the Department sent similar certified letters, return receipt requested, to additional addresses of Respondent at 299 E 950 S,

Orem, Utah 84059; 261 N 2350 E, Spanish Fork, Utah 84660; and 129 W Sycamore Lane, Vineyard, Utah 84059, with a written response required by May 14, 2024.

18. On May 14, 2024, a representative of Respondent sent an e-mail to the Department stating “We are not working any accounts from CT.”

19. On May 15, 2024, the Department responded to this assertion with a copy of e-mail communications evidencing Respondent attempting to collect from the Connecticut consumer.

20. On May 21, 2024, the same representative of Respondent sent a spreadsheet evidencing accounts for eight Connecticut consumers that Respondent had acquired, and represented that the accounts were closed and that Respondent would not collect on them going forward.

21. A review of the Consumer Financial Protection Bureau’s Consumer Complaint Database revealed that in October 2023, Respondent had attempted to collect from at least one additional Connecticut consumer who was not disclosed in Respondent’s response on May 21, 2024.

22. A review of complaints against Respondent submitted to the Better Business Bureau in 2023 revealed that Respondent had attempted to collect from at least two additional Connecticut consumers who were also not disclosed in Respondent’s response on May 21, 2024.

III. STATUTORY BASIS FOR ORDER TO MAKE RESTITUTION, ORDER TO CEASE AND DESIST AND IMPOSITION OF CIVIL PENALTY

23. Respondent’s acting within this state as a consumer collection agency without a consumer collection agency license, as more fully described in paragraphs 8 through 22, inclusive, constitutes violations of Section 36a-801(a) of the Connecticut General Statutes. Such violations form the basis to issue an order to make restitution pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

24. Respondent's 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, as more fully described in paragraphs 8 through 22, inclusive, constitutes violation of subdivision (10) of Section 36a-809-11 of the Regulations. Such violation forms the basis to issue an order to make restitution pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

25. Respondent's making false statements in correspondence submitted to the Department during the Investigation, as more fully described in paragraphs 8 through 22, inclusive, constitutes a violation of Section 36a-53a of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

**IV. FINDING AND STATUTORY BASIS FOR
TEMPORARY ORDER TO CEASE AND DESIST**

The Commissioner finds that the public welfare requires immediate action to issue a temporary order requiring Respondent to cease and desist from violating Sections 36a-53a and 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations, and requiring Respondent to take such action as set forth herein to effectuate the purposes of Section 36a-52(b) of the Connecticut General Statutes, in that the interests of Connecticut consumer debtors are being prejudiced by Respondent's collecting and attempting to collect debts of Connecticut consumer debtors while not duly licensed.

**V. 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**

WHEREAS, the Commissioner has reason to believe that Respondent has engaged in acts or conduct which forms a basis to issue an order to make restitution against Respondent pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

AND WHEREAS, the Commissioner has made the finding required under Section 36a-52(b) of the Connecticut General Statutes.

THE COMMISSIONER THEREFORE ORDERS, pursuant to the authority granted in Section 36a-52(b) of the Connecticut General Statutes, that Zions Debt Holdings, LLC immediately **CEASE AND DESIST** from engaging in the business of a consumer collection agency in this state without obtaining the required license in violation of Section 36a-801(a) of the Connecticut General Statutes; 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 from making or causing to be made orally or in any document filed with the Commissioner or in any proceeding, investigation or examination under this title, any statement which is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect, in violation of Section 36a-53a of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by Zions Debt Holdings, LLC and, unless set aside or modified by a court, shall remain in effect until the effective date of a permanent order or dismissal of the matters asserted in this Temporary Order to Cease and Desist.

THE COMMISSIONER FURTHER ORDERS, pursuant to the authority granted in Sections 36a-17 and 36a-52(b) of the Connecticut General Statutes, that: Not later than fourteen (14) days from receipt of this Temporary Order to Cease and Desist, Zions Debt Holdings, LLC shall provide to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or carmine.costa@ct.gov, an itemized list of all Connecticut consumer collection activity, including any debt it collected, attempted to collect on, or received monies for, since August 20, 2019, including: (a) the name, address and telephone number of each consumer debtor, (b) the date of placement with Zions Debt Holdings, LLC, the creditor name and last attempt of contact, and (c) full itemization of each consumer debtor's payments made since August 20, 2019, specifying the dates, amounts and to whom such payments were made, including any fees paid to Zions Debt Holdings, LLC.

THE COMMISSIONER FURTHER ORDERS, pursuant to Section 36a-50(c) of the Connecticut General Statutes that Zions Debt Holdings, LLC **MAKE RESTITUTION** of any sums obtained as a result of Zions Debt Holdings, LLC violating Section 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes, since August 20, 2019. Specifically, the Commissioner

ORDERS that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, Zions Debt Holdings, LLC shall:

Promptly refund all payments made by Connecticut consumers that were collected by Zions Debt Holdings, LLC since August 20, 2019, and provide evidence of such refund to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or carmine.costa@ct.gov.

NOW THEREFORE, notice is hereby given to Respondent that the Commissioner intends to issue an order requiring Respondent to **CEASE AND DESIST** from violating Sections 36a-53a and 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations, and to impose a **CIVIL PENALTY** upon Respondent as set forth herein, subject to Respondent's right to a hearing on the allegations set forth above.

A hearing will be granted to Respondent if a written request for a hearing is received by the Department of Banking, Consumer Credit Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to DOB.hearingsupport@ct.gov within fourteen (14) days following Respondent's receipt of this 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 as set forth in Sections 36-50(c), 36a-52(a) and 36a-50(a) of the Connecticut General Statutes. This 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 shall be deemed received on the earlier of the date of actual receipt, or seven (7) days after mailing or sending. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above-referenced addresses. If Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se".

If a hearing is requested, it will be held in person at the Department's offices. Once a written request for a hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and Section

36a-1-21 of the Regulations. At the discretion of the Hearing Officer, for good cause shown, the Hearing Officer may approve requests for remote participation in the hearing by a Respondent, witness, or attorney. If such requests are approved by the Hearing Officer, such remote participation will be conducted via videoconference. If a hearing is requested, the hearing will be held on October 30, 2024, at 10 a.m.

If a hearing is requested, it will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, unless Respondent fails to appear at the requested hearing. At such hearing, Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner. Remote participation in a hearing will be held in accordance with Section 1-225a of the Connecticut General Statutes, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>.

If Respondent does not request a hearing within the time prescribed or fails to appear at any such hearing, the allegations herein will be deemed admitted. Accordingly, the Order to Make Restitution shall remain in effect and become permanent, and the Commissioner will issue an order that Respondent cease and desist from violating Sections 36a-53a and 36a-801(a) of the Connecticut General Statutes, and subdivision (10) of Section 36a-809-11 of the Regulations, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent.

Dated at Hartford, Connecticut,
This 21st day of August 2024.

/s/ _____
Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 22nd day of August 2024, the foregoing 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 was sent by certified mail, return receipt requested, to Zions Debt Holdings, LLC, 313 E 1200 S Suite 102, Orem, Utah 84058, Certified Mail No. 70120470000147903720; Zions Debt Holdings, LLC, 299 E 950 S, Orem, Utah 84059, Certified Mail No. 70120470000147903713; Zions Debt Holdings, LLC, 261 N 2350 E, Spanish Fork, Utah 84660, Certified Mail No. 70120470000147903539; and Zions Debt Holdings, LLC, 129 W Sycamore Lane, Vineyard, Utah 84059, Certified Mail No. 70100290000274894746.

/s/ _____
Amy Grillo