

UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU

File No. 2014-CFPB-0009

In the Matter of:

Colfax Capital Corporation,
Culver Capital, LLC,
Ronald Wilson, and
William Collins

STIPULATION AND CONSENT
TO THE ISSUANCE OF
A CONSENT ORDER

The Consumer Financial Protection Bureau (Bureau) intends to initiate an administrative proceeding against Colfax Capital Corporation, f/k/a Rome Finance Co., Inc., and Culver Capital, LLC, f/k/a Rome Finance Company (GA), LLC, Ronald Wilson and William Collins (collectively, Respondents), but not Paul J. Mansdorf, Trustee of the chapter 7 bankruptcy estate of Colfax Capital Corporation, Debtor, case no. 08-45902, under sections 1053 and 1055 of the Consumer Financial Protection Act (CFPA), 12 U.S.C. §§ 5563 and 5565, related to their financing, purchasing, and servicing of financing agreements primarily entered into by United States military servicemembers, who purchased computers, cameras, cell phones, or other consumer goods from third parties, for failing to disclose or accurately disclose the finance charge and annual percentage rate for consumer financing agreements in violation of Regulation Z (Truth in Lending), 12 C.F.R. Part 1026; for unfairly facilitating creditors' deceptive disclosures in connection with financing

agreements by promising to purchase, and purchasing, those financing agreements, in violation of the CFPA, 12 U.S.C. §§ 5531 and 5536; for failing to disclose or accurately disclose in periodic billings for open-end financing agreements the annual percentage rate, the balance subject to interest rate, how that balance was determined, itemized interest charges, the closing date of the billing cycle, and the account balance on that date, in violation of Regulation Z, 12 C.F.R. Part 1026; and for servicing and collecting on consumer financing agreements that state laws rendered void or limited the consumer's obligation to repay, in violation of the CFPA, 12 U.S.C. §§ 5531 and 5536.

In the interest of compliance and resolution of the matter, and without admitting or denying any wrongdoing, Respondent Colfax, by and through Paul J. Mansdorf, as Chapter 7 Trustee (Trustee), and the other Respondents stipulate and consent to the issuance of the Consent Order (Consent Order) to which this Stipulation and Consent to the Issuance of a Consent Order is attached, and which is incorporated herein by reference.

In consideration of the above premises, and in consideration of the Settlement Agreement entered into by and between the Trustee, Respondents, the Attorneys General for the States of Colorado, Delaware, Florida, Georgia, Kentucky, Indiana, Iowa, Massachusetts, Michigan, New York, North Carolina, Tennessee, and Vermont (States), and the Bureau dated June 4, 2014 (Settlement Agreement), which is attached hereto as Exhibit 1 and incorporated herein by reference, the Trustee and Respondents stipulate and agree to the following:

Jurisdiction

1. The Bureau has jurisdiction over this matter under Sections 1053 and 1055 of the Consumer Financial Protection Act (CFPA), 12 U.S.C. §§ 5563, 5565.

Consent

2. Respondent Colfax is the subject of a bankruptcy proceeding and is represented by the appointed Trustee. Respondent Colfax, by and through the Trustee, and the other Respondents agree to the issuance of the Consent Order, without admitting or denying any of the findings of fact or conclusions of law, except that Respondents admit the facts necessary to establish the Bureau's jurisdiction over Respondents and the subject matter of this action.
3. Respondents agree that the Consent Order shall be deemed an "order issued with the consent of the person concerned" under 12 U.S.C. § 5563(b)(4), and agree that the Consent Order shall become a final order, effective upon issuance, and shall be fully enforceable by the Bureau under 12 U.S.C. §§ 5563(d)(1) and 5565.
4. Respondents enter into this Stipulation and Consent to the Issuance of a Consent Order voluntarily.
5. The Consent Order resolves only Respondents' potential liability for violations of law that have been or might have been asserted by the Bureau based on the practices described in Section IV of the Consent Order or as set forth in the Settlement Agreement, to the extent that such practices occurred prior to the Effective Date of the Settlement Agreement (as defined in the Settlement Agreement) and were known to the Bureau as of that Effective Date. Respondents acknowledge that no promise or representation has been made by the Bureau, or any employee, agent, or representative of the Bureau, with regard to any other civil liability, any criminal liability, or immunity from any such criminal liability.
6. Respondents agree that the facts set forth in Section IV of the Consent Order shall be taken as true and be given collateral estoppel effect, without further proof, in any proceeding before the Bureau based on the entry of the Consent Order, or in any subsequent civil

litigation by the Bureau to enforce the Consent Order or its rights to any payment or monetary judgment under the Consent Order, such as a non-dischargeability complaint in any bankruptcy case.

7. Individual Respondents (Ronald Wilson and William Collins) further agree that the facts set forth in Section IV of the Consent Order establish all elements necessary to sustain an action by the Bureau under Section 523(a)(2)(A) of the Bankruptcy Code, U.S.C. § 523(a)(2)(A), and that for such purposes this Consent Order shall have collateral estoppel effect against Individual Respondents, even in an Individual Respondent's capacity as debtor-in-possession.
8. The terms and provisions of this Stipulation and the Consent Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest.
9. Respondents agree that the Bureau may present the Consent Order to the Bureau Director for signature and entry without further notice.

Waivers

10. Respondents, by consenting to this Stipulation, hereby waive:
 - a. Any right to service of the Consent Order, and agree that issuance of the Consent Order will constitute notice to the Respondents of its terms and conditions;
 - b. Any objection to the jurisdiction of the Bureau, including, without limitation, under section 1053 of the Dodd-Frank Act;
 - c. The rights to all hearings under the statutory provisions under which the proceeding is to be or has been instituted; the filing of proposed findings of fact and conclusions of law; proceedings before, and a recommended decision by, a hearing officer; all post-hearing procedures; and any other procedural right available under 12 U.S.C. § 5563 or 12 C.F.R. Part 1081;

- d. The right to seek any administrative or judicial review of the Consent Order;
- e. Any claim for fees, costs or expenses against the Bureau, or any of its agents or employees, and any other governmental entity, related in any way to this enforcement matter or the Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996; for these purposes, Respondents agree that Respondents are not the prevailing party in this action because the parties have reached a good faith settlement;
- f. Any other right to challenge or contest the validity of the Consent Order;
- g. Such provisions of the Bureau's rules or other requirements of law as may be construed to prevent any Bureau employee from participating in the preparation of, or advising the Director as to, any order, opinion, finding of fact, or conclusion of law to be entered in connection with this Stipulation or the Consent Order; and
- h. Any right to claim bias or prejudice by the Director based on the consideration of or discussions concerning settlement of all or any part of the proceeding.

COLFAX CAPITAL CORPORATION, Debtor, BY:



Paul J. Mansdorf
Trustee, Colfax Capital Corporation, Debtor



Date

COLFAX CAPITAL CORPORATION, BY:

John H. Bedard, Jr.,
Authorized Attorney in Fact for Colfax Capital Corporation

Date

- d. The right to seek any administrative or judicial review of the Consent Order;
- e. Any claim for fees, costs or expenses against the Bureau, or any of its agents or employees, and any other governmental entity, related in any way to this enforcement matter or the Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996; for these purposes, Respondents agree that Respondents are not the prevailing party in this action because the parties have reached a good faith settlement;
- f. Any other right to challenge or contest the validity of the Consent Order;
- g. Such provisions of the Bureau's rules or other requirements of law as may be construed to prevent any Bureau employee from participating in the preparation of, or advising the Director as to, any order, opinion, finding of fact, or conclusion of law to be entered in connection with this Stipulation or the Consent Order; and
- h. Any right to claim bias or prejudice by the Director based on the consideration of or discussions concerning settlement of all or any part of the proceeding.

COLFAX CAPITAL CORPORATION, Debtor, BY:

Paul J. Mansdorf
Trustee, Colfax Capital Corporation, Debtor

Date

COLFAX CAPITAL CORPORATION, BY:

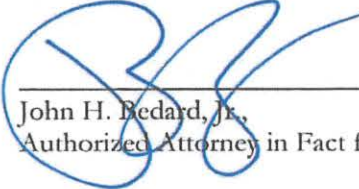


John H. Bedard, Jr.,
Authorized Attorney in Fact for Colfax Capital Corporation



Date

CULVER CAPITAL, LLC BY:



John H. Bedard, Jr.,
Authorized Attorney in Fact for Culver Capital, LLC

7/1/14

Date

RONALD WILSON:

Ronald Wilson

Date

WILLIAM COLLINS:

William Collins

Date

CULVER CAPITAL, LLC BY:

John H. Bedard, Jr.,
Authorized Attorney in Fact for Culver Capital, LLC

Date

RONALD WILSON:

Ronald Wilson

Ronald Wilson

JULY 2, 2014

Date

WILLIAM COLLINS:

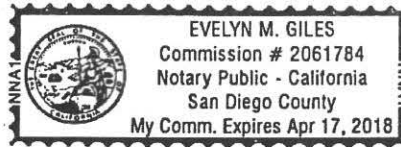
William Collins

Date

State of California
County of SAN DIEGO

Subscribed and sworn to (or affirmed) before me on this 2nd
day of July, 2014, by RONALD WILSON
proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.

Evelyn M. Giles
NOTARY PUBLIC



CULVER CAPITAL, LLC BY:

John H. Bedard, Jr.,
Authorized Attorney in Fact for Culver Capital, LLC


Date

RONALD WILSON:

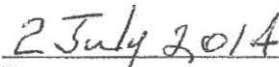
Ronald Wilson

Date

WILLIAM COLLINS:



William Collins



Date 2