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NEWS RELEASE

FOR IMMEDIATE RELEASE

March 11, 2002

STATE OBTAINS INJUNCTION AGAINST CREDIT COUNSELOR Company Offered to Assist Homeowners Behind in Their Payments

BOISE, IDAHO – Gavin Gee, Director of the Idaho Department of Finance announced that the Honorable Michael McLaughlin, District Judge of the Fourth Judicial District in Ada County, Idaho, has entered a judgment against HomeSavers USA, Inc., a North Carolina company. The order resolves a case filed by the Department under the Idaho Collection Agency Act.

The Department alleged that HomeSavers offered to assist Idaho residents who were delinquent in their mortgage payments by counseling the residents regarding solutions to their credit difficulties, and purportedly negotiating payment plans with the residents' mortgage companies. It was specifically alleged that, in two instances, HomeSavers received fees from Idaho residents to be used toward implementing the payment plans, although no plans were negotiated. The complaint also stated that HomeSavers maintained an Internet web site in which it claimed it could obtain extensions of credit for its clients.

The Idaho Collection Agency Act requires companies that offer to engage in the business of credit counseling or credit repair, including obtaining extensions of credit, be licensed by the Department of Finance before doing business in Idaho. The Court found that HomeSavers had not obtained the required Idaho collection agency permit, and enjoined the company from further violations of the Act. The Court further ordered that the company pay \$1,380 to the Department as restitution to the Idaho victims.

Consumers can check on the license status of individuals and companies by calling the Department at (208) 332-8002 or toll-free within Idaho at 1-888-346-3378.

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