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2 **STATE OF CALIFORNIA**  
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Timothy Aaron, Managing Member  
6 Carla Aaron, Managing Member  
7 Fidelity Debt Solutions, LLC  
8 510 Market Street, 2nd floor  
9 San Diego, CA 92101

10 **DESIST AND REFRAIN ORDER**  
11 **(For violation of section 12200 of the Financial Code)**

12 The California Corporations Commissioner finds that:

13 1. Fidelity Debt Solutions, LLC (“Fidelity”) is a limited liability company organized  
14 under the laws of California on June 28, 2007. At all relevant times, it maintained a principal place  
15 of business at 510 Market Street, 2nd floor, San Diego, CA 92101.

16 2. At all relevant times, Timothy Aaron and Carla Aaron were control persons of  
17 Fidelity.

18 3. Beginning in 2010 or earlier, Fidelity entered into a written Debt Settlement  
19 Agreement with at least one California resident (“Client”). The agreement provided that Fidelity  
20 would negotiate with the Client’s creditors for the reduction of unsecured debt.

21 4. Pursuant to the agreement, the Client made monthly payments into a special purpose  
22 account with NoteWorld Servicing Center for the purposes of paying service fees to Fidelity and  
23 accumulating settlement funds.

24 5. The Department of Corporations has jurisdiction over and regulates proraters under the  
25 Check Sellers, Bill Payers and Proraters Law set forth in California Financial Code section 12000 et  
26 seq. Financial Code section 12200 states:

27 No person shall engage in the business, for compensation, of selling checks,  
28 drafts, money orders, or other commercial paper serving the same purpose, or  
of receiving money as agent of an obligor for the purpose of paying bills,

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invoices, or accounts of such obligor, or acting as a prorater, nor shall any person, without direct compensation and not as an authorized agent for a utility company, accept money for the purpose of forwarding it to others in payment of utility bills, without first obtaining a license from the commissioner.

6. The definition of a prorater, found in Financial Code section 12002.1, states:

A prorater is a person who, for compensation, engages in whole or in part in the business of receiving money or evidences thereof for the purpose of distributing the money or evidences thereof among creditors in payment or partial payment of the obligations of the debtor.

7. The California Corporations Commissioner has not licensed Fidelity in this State to act as a prorater.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that Fidelity Debt Solutions, LLC, Timothy Aaron, and Carla Aaron, individually, in concert and/or in participation with others, have been engaging in business as a prorater as defined in the Check Sellers, Bill Payers and Proraters Law without a license from the California Corporations Commissioner.

Pursuant to Financial Code section 12103, the California Corporations Commissioner hereby orders Fidelity Debt Solutions, LLC, Timothy Aaron, and Carla Aaron, individually, in concert and/or in participation with others, to desist and refrain from engaging in business as a prorater unless and until they are licensed or exempt. This Order is necessary, in the public interest, and for the protection of consumers.

Dated: January 24, 2013  
Sacramento, California

JAN LYNN OWEN  
California Corporations Commissioner

By \_\_\_\_\_

MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division