

IN THE MATTER OF:

**SHARPER FINANCIAL CONSULTING,
LLC**

And

CHONIE SHARPER

Respondents.

BEFORE THE MARYLAND

COMMISSIONER OF

FINANCIAL REGULATION

CFR-FY2018-0022

ORDER FOR CIVIL PENALTIES AND MONETARY AWARD

On January 31, 2019, the Deputy Commissioner of Financial Regulation (“Deputy”) issued an Order to Cease and Desist to Respondents that advised Respondents that the Commissioner of Financial Regulation (“Commissioner”) may impose civil penalties or take any other action against Respondents as authorized by Md. Code Ann., Fin. Inst. (“FI”) §§2-115(b). The Order to Cease and Desist became final on February 19, 2019.

On April 15, 2019, the Deputy issued a Notice of Intended Agency Action to Respondents, notifying Respondents that the Commissioner intended to issue an order requiring Respondents to take affirmative action to correct the violations of law including restitution of money to any person aggrieved by Respondents’ actions and/or to issue a civil penalty order, and advised Respondents that the Commissioner had scheduled a hearing on June 11, 2019, prior to issuing an order.

Before ordering a penalty, pursuant to FI §§2-115(c), the Commissioner must consider the following factors in determining the amount of the penalty to be imposed on Respondents:

- (1) The seriousness of the violation;

- (2) The good faith of the violator;
- (3) The violator's history of previous violations;
- (4) The deleterious effect of the violation on the public and the industry involved;
- (5) The assets of the violator; and
- (6) Any other factors relevant to the determination of the financial penalty.

On June 11, 2019, the Commissioner held the hearing. Respondents did not attend the hearing. Proof of proper service of the Notice of Intended Agency Action on Respondents was admitted into evidence at the hearing.

At the hearing, testimony was taken and evidence was admitted showing that: (1) Respondents were not licensed in Maryland as a credit services business; (2) Respondents were not registered with the State Department of Assessments and Taxation as required by Maryland law to do business in Maryland; (3) Consumer A, a Maryland resident, responded to Respondents' advertisement on the internet; (4) Consumer A authorized a payment of \$800 to Respondents via PayPal; (5) on November 8, 2016, Respondents sent an invoice to Consumer A that was marked paid, which showed a payment of \$800 from Consumer A to Respondents; (6) on November 9, 2016, Chonie Shaper created a document and emailed the document to Consumer A for signature; (7) on November 9, 2016, Consumer A signed a Credit Consulting Agreement with Chonie Sharper for the purpose of credit consultation and restoration services to improve Consumer A's personal credit score ("Agreement"); (8) the Agreement contains a representation by Chonie Sharper that states "...I know that by utilizing the Federal Law and the Fair Credit Reporting Act, I can assist you in getting items deleted/corrected with an overall

positive outcome.”; (9) the Agreement contains a guaranty from Chonie Sharper that states “I cannot determine the amount of time it will take to completely eliminate all negative items on your credit report but I will refund 100% of your credit restoration fees if 80% of the items have not been deleted within 6 months from contract execution.”; (10) the Agreement does not contain the information statement required by Md. Code Ann., Com. Law (“CL”) §14-1904(a) and does not contain the cancellation provision required by required under CL §14-1906(a); (11) Chonie Sharper did not obtain any deletions or corrections from Consumer A’s credit record; (12) on August 7, 2017, Consumer A sent an email to Chonie Sharper asking whether she intended to refund his payment; (13) Chonie Sharper did not refund any of the \$800 to Consumer A.

Considering these factors, the Commissioner has determined that: (1) Respondents violations are serious in their severity; (2) Respondents’ actions and conduct showed the absence of good faith; and (3) Respondents’ actions had a deleterious effect on the public and industry involved. The Commissioner is unable to consider the Respondents’ assets because the Commissioner was not presented with any evidence regarding Respondents’ assets. Having considered these factors, the Commissioner concludes that civil penalties in the amounts ordered below are warranted.

Based on the uncontested facts in the Commissioner’s Cease and Desist Order dated January 31, 2019 that became final on February 19, 2019, Respondents were required to be licensed as a credit services business license under Md. Code Ann., Com. Law §14-1903(b), and are subject to the licensing, investigatory, enforcement, and penalty provision of CL Title 14, Subtitle 19 and FI Title 11, Subtitle 3. Pursuant to FI §11-303, a license must be applied for, and is subject to the licensing and investigatory provisions of FI Title 11, Subtitle 2. Pursuant to FI §2-115(b)(3), when the Commissioner determines after notice and a hearing that a person has

engaged in an act or practice constituting a violation of law over which the Commissioner has jurisdiction, the Commissioner may issue a penalty order imposing a civil penalty not exceeding \$1,000 for the first violation and a maximum of \$5,000 for each subsequent violation.

Pursuant to CL §14-1912, any credit services that willfully fails to comply with any requirement under CL Title 14, Subtitle 19 with respect to any consumer is liable to the consumer for monetary award equal to 3 times the total amount collected from the consumer, as ordered by the Commissioner. Chonie Sharper created the document, i.e., Agreement, for Consumer A to sign. The Agreement did not contain the information statement or right to cancel required CL §§14-1905 and 1906, respectively. Accordingly, the Commissioner finds that Chonie Sharper willfully failed to comply with CL §§14-1905 and 1906.

It is by the Commissioner of Financial Regulation, hereby:

ORDERED that Respondents shall pay a civil penalty of \$12,000 to the Commissioner as detailed in Exhibit "A" attached hereto, within sixty (60) days of the date of this **Order for Civil Penalties and Monetary Award**; and

FURTHER ORDERED that Respondents shall pay a monetary award as detailed in Exhibit "B" attached hereto in the amount of \$2,400 to Consumer A by mailing a check via First Class Mail, postage prepaid, to the most recent address of Consumer A known to Respondents. If mailing is returned as nondeliverable, Respondents shall promptly notify the Commissioner in writing for further instruction as to the means of making the payment. Upon making the required payment, Respondents shall furnish a copy of the front and back of each cancelled check for the payment to the Commissioner as evidence of having made payment, within sixty (60) days of the date of this **Order for Civil Penalties and Monetary Award**;

FURTHER ORDERED that Respondents shall send all correspondence, notices, civil penalties, and other required submissions to the Commissioner at the following address: Commissioner of Financial Regulation, 500 N. Calvert Street, Suite 402, Baltimore, Maryland 21202, Attention: Proceedings Administrator; and

FURTHER ORDERED that the records and publications of the Commissioner of Financial Regulation shall reflect this decision.

Respondents may have the right to file a petition for judicial review; however filing of a petition for judicial review does not automatically stay the enforcement of this order.

**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION**

Date: _____

6/19/19

By: _____



Antonio P. Salazar
Commissioner of Financial Regulation

EXHIBIT "A"

CIVIL PENALTIES

Violation	Penalty Statute	Statutory Penalty Amount	# Violations	Penalty Imposed
CL §14-1902(1)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1902(4)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1902(5)	FI §2-115(b)(3)	</\$5,000 each violation	1	\$1,000
CL §14-1902(6)	FI §2-115(b)(3)	</\$5,000 each violation	1	\$1,000
CL §14-1903(b) FI §11-302	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1903.1	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1904(a)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1904(b)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1905(a)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1905(b)	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1906	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §14-1908	FI §2-115(b)(3)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
TOTAL				\$12,000

EXHIBIT "B"

MONETARY AWARD

Consumer A		\$2,400.00
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