



PRESS RELEASE

Colorado Department of Law
Attorney General John W. Suthers

FOR IMMEDIATE RELEASE

January 22, 2014

CONTACT

Carolyn A. Tyler
Carolyn.Tyler@state.co.us
720-508-6553

ATTORNEY GENERAL REACHES SETTLEMENT WITH ONLINE LENDER WESTERN SKY

DENVER—[Colorado Attorney General John Suthers](#) announced today that his office has settled a lawsuit against several South Dakota lenders and their principal, Martin A. “Butch” Webb for making unlicensed, high-cost loans to Colorado consumers. The lenders include [Western Sky Financial, LLC](#); Payday Financial, LLC, doing business as [Lakota Cash](#) and Big Sky Cash; Great Sky Finance, LLC; Green Billow, LLC, doing business as Four Seasons Cash; and Red Stone Financial, LLC.

Information provided to the Colorado Attorney General’s Office showed that Webb and his companies made more than 16,000 loans to consumers across Colorado between 2008 and 2012 with interest rates of from 90% to over 500%, with some as high as 10,000%. The settlement permanently prohibits Webb and his companies from making or collecting loans to or from Colorado consumers. The defendants also are required to pay \$565,000.00 to the state.

The [Consumer Protection Section](#) of the Attorney General’s Office filed its lawsuit in January 2011. Webb and his companies claimed that, because he is a Native American and allegedly operated his businesses from a reservation, they were not subject to Colorado law by reason of tribal immunity and preemption. In April 2013, the Denver District Court, however, rejected those claims. Instead, the Court held that defendants, by making unlicensed loans to Colorado consumers, were subject to and violated Colorado’s consumer credit protection laws.

“Many years of hard work went into securing this settlement by our office and in particular Senior Assistant Attorney General Paul Chessin, and I am pleased to see justice finally be served for thousands of Coloradans,” said Suthers. “While I have great respect for the sovereignty of Native American tribes, the courts agreed that Webb and his companies could not hide behind a façade of tribal immunity to make these extremely predatory loans,” Suthers explained.

On January 21, 2014, the Denver District Court entered a Consent Judgment resolving the lawsuit.

Consumers with complaints or concerns about a lender can contact the Office of the Attorney General's Uniform Consumer Credit Code section at 303-866-4494 or [online](#).

###