



PRESS RELEASE

Colorado Department of Law
Attorney General Cynthia H. Coffman

FOR IMMEDIATE RELEASE

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AG Coffman Announces Significant Relief for Victims of Illegal Auto Title Loan Scheme

DENVER—Colorado Attorney General Cynthia H. Coffman announced today that her office secured a significant judgment against a group running an illegal auto title loan scheme in Colorado. The group used a variety of names with consumers, including Sovereign Lending Solutions, LLC; Car Loan, LLC; and Autoloans, LLC.

The Attorney General’s Office demonstrated that the individuals behind these fictitious names made, serviced, and collected personal loans – some of which had annual percentage rates exceeding 300% – to over 400 Colorado consumers. Consumers were required to turn over title to their vehicle as collateral for the loans, which often resulted in vehicles being repossessed that had values far greater than the loans themselves. Such auto title loans are illegal in Colorado.

“I am pleased that many Coloradoans living in fear of having their vehicles towed in the middle of the night due to an illegal loan, will be able to rest easier today,” said Attorney General Coffman. “Companies like the ones involved in this case are taking advantage of Colorado citizens over the internet, but we are fighting back to shut them down and protect consumers.”

The judgment entered by the Denver District Court requires Defendants to pay \$24,739.01 in restitution to consumers and \$587,390 in penalties. The judgment also requires Defendants to release 402 liens worth \$815,754.70 they filed against Colorado consumers’ vehicles. Finally, Defendants must return title to every affected consumer in Colorado.

To learn more about consumer loans and credit or debt collection in Colorado, to file a complaint, or to verify whether a supervised lender or debt collector is licensed in Colorado, please visit www.coag.gov/ccu or email uccc@coag.gov.

CONTACT
Annie Skinner
Colorado Attorney General’s Office
720-508-6553
Annie.Skinner@coag.gov