

DEPARTMENT OF CONSUMER AFFAIRS
CITY OF NEW YORK

-----X
DEPARTMENT OF CONSUMER AFFAIRS,

Complainant,

-against-

ACCOUNTS RECOVERY BUREAU, INC.,

Respondent.
-----X

SUPERSEDING CONSENT ORDER

Violation No.: LL05312924

License No.:1377165

1. Respondent Accounts Recovery Bureau, Inc. ("ARB" or "Respondent") has been licensed by the New York City Department of Consumer Affairs (the "Department") as a debt collection agency pursuant to Section 20-490 of the New York City Administrative Code ("Admin. Code") since 2010.
2. Respondent seeks renewal of its debt collection agency license, No. 1377165.
3. The Department has reviewed Respondent's license renewal application, public records and records maintained by the Department, Respondent's 2013 Renewal Information and Documentation Form, and information provided to the Department.
4. Based on the Department's findings annexed as Attachment A.
5. Respondent does not admit to these violations, but consents to a Consent Order with the Department to obtain a license and to avoid further investigation and litigation with regard to the specific violations identified in Attachment A for the period from April 24, 2010 to the date of this Consent Order. This Consent Order supersedes the Consent Order dated November 3, 2010 between the Respondent and the Department.
6. John Fiumano, as PRES & CEO, represents and warrants that ACCOUNTS RECOVERY BUREAU, LLC is authorized to enter into this Consent Order on behalf of Respondent.
7. This Consent Order shall apply to Respondent, its directors, officers, employees, representative agents, assignees, and successors. For the purposes of this

Consent Order, “employee” means any person employed for hire or permitted to work by Respondent including, but not limited to, any person who manages or oversees the work of another and any person whose earnings are based in whole or in part on commission for work performed for Respondent.

8. Respondent agrees to comply fully with all relevant laws and rules related to debt collection from New York City consumers including, but not limited to: (a) the Licensing Law and Rules, Admin. Code sections 20-101 *et seq.* and Title 6 of the Rules of the City of New York (“6 R.C.N.Y.” or “the Rules”) sections 1-01 *et seq.*; (b) the Debt Collection Agencies Licensing Law and Rules, Admin. Code sections 20-488 *et seq.* and 6 R.C.N.Y. sections 2-190 *et seq.*; and (c) the Consumer Protection Law and Rules, Admin. Code sections 20-700 *et seq.* and 6 R.C.N.Y. sections 5-76 *et seq.*

LICENSING

9. Respondent shall not act as a debt collection agency as defined in Section 20-489 of the Admin. Code at any time without holding a valid license from the Department.
10. Respondent shall ensure that process server individuals and agencies used in furtherance of its work as a debt collection agency licensed by the Department are licensed by the Department when required by subchapter 23 of the Admin. Code.
11. Upon the termination of Respondent’s license by revocation, suspension, expiration, denial, surrender, cancellation, or operation of law Respondent shall immediately cease its debt collection activities with respect to New York City consumers and return its license to the Department.

PAYDAY LOANS; USURIOUS LOANS

12. Respondent shall not purchase, collect, or attempt to collect debts from New York City consumers if those debts arise from usurious loans, including payday loans.
13. “Usurious loan” is a loan with an initial principal of less than \$250,000, for which the annual percentage rate of interest exceeds the rate specified by Section 14-a of the New York Banking Law, that is void under Section 5-511 of the New York General Obligations Law.
14. Respondent shall implement policies and procedures corresponding to paragraph 12 that include, but are not limited to, a screening process for debts which are likely to be usurious payday loans, such as those for which the original creditor’s name contains the terms “Payday,” “Cash,” “Check,” “Instant,” “Advance,” “Fast,” “Now,” or “Quick.”

15. With regard to any New York City consumer's debt that arises from a usurious loan, Respondent shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondent furnishes information, a request for deletion of any negative information from the consumer's credit report.

DISPUTED DEBT; CREDIT REPORTING

16. In addition to the requirements in Section 20-493.2 of the Admin Code and Sections 2-190 and 5-77(f) of 6 R.C.N.Y., Respondent shall engage in the following practices:
 - a. Whenever a New York City consumer questions, disputes, or challenges the information on which Respondent is relying to collect or attempt to collect a debt, Respondent shall either:
 - i. Close the account, permanently terminate collection efforts with respect to the specific debt, and request deletion of that item of information from the consumer's credit reporting file; or
 - ii. Report that item of information as disputed to any consumer reporting agency to which the information was previously reported and conduct a reasonable and truthful investigation into the accuracy or completeness of such information. If Respondent does not complete its reasonable investigation within thirty (30) days from receipt of the dispute, which may be extended by up to fifteen (15) additional days if Respondent receives information from the consumer during that period that is relevant to the investigation, Respondent shall request deletion of that item from the consumer's credit reporting file and cease collection activities until the reasonable investigation is complete. If after the investigation the Respondent cannot substantiate that the consumer owes the debt, Respondent shall not sell the debt or provide it to any other entity for the purpose of collection.
 - b. With regard to any New York City consumer's debt that has been paid in full or settled pursuant to an oral or written agreement, Respondent shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondent furnishes information, a request for deletion of any negative information from the consumer's credit report.

COLLECTION OF DEBTS OWED TO DEBT BUYERS

17. Respondent shall not collect or attempt to collect a debt owed or asserted to be owed to any buyer of delinquent debt from a New York City consumer unless

Superseding Consent Order
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b. The address of such Compliance Officer is: [REDACTED]

c. The email address of such Compliance Officer is:

[REDACTED]

20. If the identity of such Compliance Officer changes at any time, Respondent shall provide to the Department the name, title, telephone number, address, and email address of the replacing Compliance Officer within five (5) days of such change.
21. Within ten (10) days of receipt of written notice from the Department, Respondent shall produce the following, electronically or in the format indicated by the Department, which are true and accurate and sworn to under the penalty of perjury:
- a. Documents related to any provision of this Consent Order, including but not limited to:
 - i. Copies of any complaints Respondent received regarding Respondent's attempts to collect debt purportedly owed by New York City consumers.
 - ii. Transcripts of the recordings required by Section 2-193(b)(2) of the Rules.
 - iii. Documents sufficient to identify the manner in which Respondent maintains its records.
22. Respondent shall respond to all subpoenas and document requests issued to it by the Department.
23. Nothing in this section shall be construed to obviate Respondent's responsibilities pursuant to Admin. Code section 20-493(b); 6 R.C.N.Y. sections 1-14, 1-16; and 2-193.
24. Respondent shall notify the Department of all pending actions, proceedings or investigations by government agencies against it within ten (10) days of being notified of such action, proceeding, or investigation.
25. Respondent shall make all possible efforts in good faith to resolve all consumer complaints filed with the Department within twenty (20) days of receipt of copies of those complaints, but in all instances, Respondent shall respond in

Order and a breach of the Licensing Law or Rules, the Debt Collection Agency Law or Rules, or the Consumer Protection Law or Rules, Respondent shall pay two penalties as set forth in Paragraph 29: one penalty for breach of the Consent Order and one penalty for the breach of the applicable Law or Rule.

PENALTIES AND OTHER TERMS AND CONDITIONS

1. Respondent shall pay \$50,000 to the Department over 6 months. Respondent shall make the first payment in the amount of \$8,333.35 upon execution of this Consent Order and Respondent shall pay the balance over 6 months in equal payments. Payment shall be made by bank check, certified check, or money order made payable to the New York City Department of Consumer Affairs, and delivered to the New York City Department of Consumer Affairs, Legal Division, Attn: 2013 Debt Collection Renewal, 42 Broadway, 9th Floor, New York, New York 10004.
2. This Consent Order shall constitute a final order pursuant to Section 6-42(c) of the Rules.

WAIVER OF APPEALS

3. Respondent waives Respondent's right to a hearing on, appeal of and/or any challenge of, in any forum, the facts alleged by the above-referenced Notices of Hearing and the Decision and Order under Sections 20-104 and 20-105 of the Admin. Code or under Article 78 of the New York State Civil Practice Law and Rules.

MISCELLANEOUS

4. The acceptance of this Consent Order by the Department shall not be deemed approval by the Department of any of Respondent's business practices, and Respondent shall make no representation to the contrary.
5. The acceptance of this Consent Order resolves the findings made in this Consent Order in Attachment A. This Consent Order does not limit the Department's ability to bring charges for violations outside this time period.
6. The acceptance of this Consent Order does not limit the Department's ability, nor Respondent's obligation to respond to consumer complaints that arose prior to the date of this Consent Order as set forth in the "Agreement Dated" field below.
7. Nothing in this Consent Order shall be construed to limit in any way the authority of the Department to exercise its enforcement powers under Chapter 1, Title 20 or under Chapter 2, Title 20 of the Admin. Code.

15. With regard to any New York City consumer's debt that arises from a usurious loan, Respondent shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondent furnishes information, a request for deletion of any negative information from the consumer's credit report.

DISPUTED DEBT; CREDIT REPORTING

16. In addition to the requirements in Section 20-493.2 of the Admin Code and Sections 2-190 and 5-77(f) of 6 R.C.N.Y., Respondent shall engage in the following practices:
 - a. Whenever a New York City consumer questions, disputes, or challenges the information on which Respondent is relying to collect or attempt to collect a debt, Respondent shall either:
 - i. Close the account, permanently terminate collection efforts with respect to the specific debt, and request deletion of that item of information from the consumer's credit reporting file; or
 - ii. Report that item of information as disputed to any consumer reporting agency to which the information was previously reported and conduct a reasonable and truthful investigation into the accuracy or completeness of such information. If Respondent does not complete its reasonable investigation within thirty (30) days from receipt of the dispute, which may be extended by up to fifteen (15) additional days if Respondent receives information from the consumer during that period that is relevant to the investigation, Respondent shall request deletion of that item from the consumer's credit reporting file and cease collection activities until the reasonable investigation is complete. If after the investigation the Respondent cannot substantiate that the consumer owes the debt, Respondent shall not sell the debt or provide it to any other entity for the purpose of collection.
 - b. With regard to any New York City consumer's debt that has been paid in full or settled pursuant to an oral or written agreement, Respondent shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondent furnishes information, a request for deletion of any negative information from the consumer's credit report.

COLLECTION OF DEBTS OWED TO DEBT BUYERS

17. Respondent shall not collect or attempt to collect a debt owed or asserted to be owed to any buyer of delinquent debt from a New York City consumer unless

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each agreement transferring ownership of the debt on or after that date of this Consent Order includes terms in which the seller warranted and represented that the information about the debt and the documentation supporting the debt were accurate and complete. This shall not limit any other requirements under New York City Law or Rules regarding documentation that must be obtained, maintained or transferred with a debt. While Respondent is obligated to comply with New York City Law and Rules, this provision does not mandate that Respondent secure account documentation from its debt buyer clients prior to commencing collection activity.

POLICIES, PROCEDURES AND TRAINING

18. Within thirty (30) days of execution of this Consent Order, Respondent shall:
- a. implement and disseminate policies and procedures, to officers and any agent or employee having responsibility with respect to the collection of consumer debts from New York City consumers, to ensure compliance with the terms of this Consent Order and the requirements of all New York City Laws and Rules, set forth in paragraph 8;
 - b. provide training, to officers and any agent or employee having responsibility with respect to the collection of consumer debts, on the requirements of this Consent Order and the requirements of all New York City Laws and Rules, set forth in paragraph 8;
 - c. provide periodic refresher training, to officers and any agent or employee having responsibility with respect to the collection of consumer debts, no less frequently than once each year and more frequently if any New York City Laws and Rules are amended;
 - d. provide periodic refresher training, to all new officers and any agent or employee, no later than five (5) days from the time the employee assumes responsibility with respect to the collection of debts;
 - e. take and document appropriate disciplinary action against any employee who fails to comply with this Consent Order and the requirements of all New York City Laws and Rules, set forth in paragraph 8.

COMPLIANCE MONITORING AND REPORTING

19. Respondent shall appoint JENNIFER McMULLEN who is a senior executive, to serve as the Compliance Officer responsible for ensuring adherence to the terms of this Consent Order. Such Compliance Officer has the following title: DIRECTOR OF ADMINISTRATION
- a. The telephone number of such Compliance Officer is: [REDACTED]

b. The address of such Compliance Officer is: [REDACTED]

c. The email address of such Compliance Officer is:

- [REDACTED]
20. If the identity of such Compliance Officer changes at any time, Respondent shall provide to the Department the name, title, telephone number, address, and email address of the replacing Compliance Officer within five (5) days of such change.
 21. Within ten (10) days of receipt of written notice from the Department, Respondent shall produce the following, electronically or in the format indicated by the Department, which are true and accurate and sworn to under the penalty of perjury:
 - a. Documents related to any provision of this Consent Order, including but not limited to:
 - i. Copies of any complaints Respondent received regarding Respondent's attempts to collect debt purportedly owed by New York City consumers.
 - ii. Transcripts of the recordings required by Section 2-193(b)(2) of the Rules.
 - iii. Documents sufficient to identify the manner in which Respondent maintains its records.
 22. Respondent shall respond to all subpoenas and document requests issued to it by the Department.
 23. Nothing in this section shall be construed to obviate Respondent's responsibilities pursuant to Admin. Code section 20-493(b); 6 R.C.N.Y. sections 1-14, 1-16; and 2-193.
 24. Respondent shall notify the Department of all pending actions, proceedings or investigations by government agencies against it within ten (10) days of being notified of such action, proceeding, or investigation.
 25. Respondent shall make all possible efforts in good faith to resolve all consumer complaints filed with the Department within twenty (20) days of receipt of copies of those complaints, but in all instances, Respondent shall respond in

writing to the Department regarding those consumer complaints within twenty (20) days of receipt of any complaints.

26. For the purposes of this Consent Order, Respondent shall, unless otherwise directed by the Department, send by first class mail, and contemporaneously by email, all notifications required by this Consent Order to the Department to the following addresses:

First Class Mail to:

LEGAL DIVISION
Attn: Emily Anderson
NYC Department of Consumer Affairs
42 Broadway, 9th Floor
New York, NY 10004

Re: 2014 Consent Order

Email to: legaldebtcoll@dca.nyc.gov

27. For purposes of the compliance reporting and monitoring required by this Consent Order, the Department is authorized to communicate directly with the Respondent.

CONSEQUENCES OF BREACH OF CONSENT ORDER

28. A finding, after notice and hearing, that Respondent has committed a breach of the terms of this Consent Order shall constitute prima facie evidence of Respondent's lack of fitness to hold a license from the Department.
29. Upon a finding, after notice and hearing, that Respondent has committed violations of this Consent Order, the Licensing Law, the Debt Collection Agency Licensing Law, or the Consumer Protection Law, Respondent shall pay one thousand dollars (\$1,000) for each violation as well as the Department's costs for investigation and litigation.
30. Respondent's failure to produce any of the documents required by this Consent Order, the Admin. Code, or the Rules shall constitute prima facie evidence that Respondent has failed to maintain those records and is not in compliance with the underlying terms of the Consent Order, Law, or Rule for which documents are required to be maintained.
31. Specific breaches of this Consent Order shall, in addition to a breach of this Consent Order, constitute independent and separate violations of any applicable Law or Rule. If the same conduct gives rise to both a breach of this Consent

Order and a breach of the Licensing Law or Rules, the Debt Collection Agency Law or Rules, or the Consumer Protection Law or Rules, Respondent shall pay two penalties as set forth in Paragraph 29: one penalty for breach of the Consent Order and one penalty for the breach of the applicable Law or Rule.

PENALTIES AND OTHER TERMS AND CONDITIONS

1. Respondent shall pay \$50,000 to the Department over 6 months. Respondent shall make the first payment in the amount of \$8,333.35 upon execution of this Consent Order and Respondent shall pay the balance over 6 months in equal payments. Payment shall be made by bank check, certified check, or money order made payable to the New York City Department of Consumer Affairs, and delivered to the New York City Department of Consumer Affairs, Legal Division, Attn: 2013 Debt Collection Renewal, 42 Broadway, 9th Floor, New York, New York 10004.
2. This Consent Order shall constitute a final order pursuant to Section 6-42(c) of the Rules.

WAIVER OF APPEALS

3. Respondent waives Respondent's right to a hearing on, appeal of and/or any challenge of, in any forum, the facts alleged by the above-referenced Notices of Hearing and the Decision and Order under Sections 20-104 and 20-105 of the Admin. Code or under Article 78 of the New York State Civil Practice Law and Rules.

MISCELLANEOUS

4. The acceptance of this Consent Order by the Department shall not be deemed approval by the Department of any of Respondent's business practices, and Respondent shall make no representation to the contrary.
5. The acceptance of this Consent Order resolves the findings made in this Consent Order in Attachment A. This Consent Order does not limit the Department's ability to bring charges for violations outside this time period.
6. The acceptance of this Consent Order does not limit the Department's ability, nor Respondent's obligation to respond to consumer complaints that arose prior to the date of this Consent Order as set forth in the "Agreement Dated" field below.
7. Nothing in this Consent Order shall be construed to limit in any way the authority of the Department to exercise its enforcement powers under Chapter 1, Title 20 or under Chapter 2, Title 20 of the Admin. Code.

Agreed to for the Respondent by:

John P Fiumano

Print Name

PRES & CEO

Title

[Redacted]

Signature

10/14/14

Date

Accepted for Julie Menin, Commissioner of
Consumer Affairs for the City of New York, by:

Emily Anderson

Print Name

Staff Attorney

Title

[Redacted]

Signature

10/20/14

Date

Agreement Dated: 10/20/14

Businesses licensed by the Department of Consumer Affairs (DCA) must comply with all relevant local, state and federal laws. Copies of New York City licensing and consumer protection laws are available in person at DCA's Licensing Center, located at 42 Broadway, 5th Floor, New York, NY, by calling 311, New York City's 24 hour Citizen Service Hotline, or by going online at www.nyc.gov/consumers.

ATTACHMENT A

The Department's Findings

The Department has reviewed Respondent's license renewal applications, public records, records maintained by the Department, Respondent's 2013 Renewal Information and Documentation Form and information provided to the Department by Respondent. Based on this review, the Department makes the following findings:

- (1) Background – ARB Collected or Attempted to Collect From 8,246 New York City Consumers in the Past Two Years.
 - a. Question 17(A) of the 2013 Renewal Form asks: "In the past two years, did you collect or attempt to collect debts from any New York City consumers?" Question 17(B) of the 2013 Renewal Form asks: "[H]ow many accounts did you collect or attempt to collect from New York City consumers in 2011?" Question 17(C) of the 2013 Renewal Form asks: "[H]ow many accounts did you collect or attempt to collect from New York City consumers in 2012?"
 - b. ARB answered "Yes" to Question 17(A), answered "6,115" to Question 17(B), and answered "2,131" to Question 17(C). ARB therefore admits that it collected or attempted to collect 6,115 accounts from New York City consumers in 2011 and 2,131 accounts from New York City consumers in 2012.
- (2) ARB Made a False Statement in Response to Question 9(A) of the 2013 Renewal Form:
 - a. Question 9(A) of the 2013 Renewal Form asks: "In the past ten years, have you . . . received from DCA any of the following: a Notice of Hearing; a Subpoena; a Decision & Order; a Consent Judgment Order; a Consent Order; a Settlement Agreement; or a License Denial Letter?"
 - b. 6 RCNY § 1-01.1(a) provides: "No applicant for a license or a renewal thereof shall fail to provide complete and truthful responses to all the information requested on an application for such license or renewal thereof and any documents related thereto."
 - c. 6 RCNY § 1-01.1(b) provides: "No applicant for a license or renewal thereof shall conceal any information, make a false statement or falsify or allow to be falsified any certificate, form, signed statement, application or report required to be filed with an application for a license that is to be issued by the department or for a renewal thereof."
 - d. ARB answered "No" to Question 9(A). ARB's answers falsely indicated that ARB had not "received from [the Department] . . . a Consent-Judgment Order" in the past 10 years. In fact, ARB received and entered into a Consent

Judgment Order with the Department dated November 3, 2010 in PL001059567 to settle charges of unlicensed debt collection activity.

- e. ARB violated 6 RCNY §1-01.1 by falsely answering Question 9(A) in its 2013 Renewal Form.

(3) ARB Violated Requirements for Sending Written Confirmations of Debt Payment Schedules:

- a. Question 23(A) of the 2013 Renewal Form asks: “In the past two years, did you agree to allow any New York City consumers to pay a debt according to a debt payment schedule?”
- b. Question 23(B) of the 2013 Renewal Form asks: “If the answer to (A) is yes, did you provide a written confirmation of the debt payment schedule to each New York City consumer that you authorized to make payments according to a debt payment schedule?”
- c. Admin. Code § 20-493.1(b) requires a debt collection agency to “[c]onfirm in writing to the consumer, within five business days, any debt payment schedule . . . reached with the consumer.”
- d. 6 RCNY § 2-192(a) provides: “The written confirmation of the debt payment schedule . . . with a consumer that a debt collection agency is required to furnish pursuant to § 20-493.1(b) shall identify the originating creditor of the debt, the debt collection agency, the employee of such agency who concluded the debt payment schedule . . . or the employee’s direct supervisor, the name and address of the consumer, the date on which the debt payment schedule . . . was made, the specific amount and due date of each payment, the address where the payments are to be mailed or where payment may otherwise be transmitted, any other terms of the debt payment schedule . . . , and the conditions for satisfying the outstanding balance.”
- e. ARB answered “Yes” to Question 23(A), and answered “No” to Question 23(B). ARB therefore admits that in the past two years it agreed to allow New York City consumers to pay debts according to debt payment schedules, but did not “provide a written confirmation of the debt payment schedule to each New York City consumer that [ARB] authorized to make payments according to a debt payment schedule.”
- f. ARB violated Admin. Code § 20-493.1(b) by failing to “[c]onfirm in writing to the consumer . . . any debt payment schedule . . . reached with the consumer.”
- g. ARB violated 6 RCNY § 2-192(a) by failing to “identify the originating creditor of the debt, the debt collection agency, the employee of such agency who concluded the debt payment schedule . . . or the employee’s direct

supervisor, the name and address of the consumer, the date on which the debt payment schedule . . . was made, the specific amount and due date of each payment, the address where the payments are to be mailed or where payment may otherwise be transmitted, any other terms of the debt payment schedule . . . , and the conditions for satisfying the outstanding balance” in written confirmations of debt payment schedules with New York City consumers.

(4) ARB Made a False Statement in Response to Question 24(A) of the 2013 Renewal Form:

- a. Question 24(A) of the 2013 Renewal Form asks: “In the past two years, did you agree to allow any New York City consumers to settle a debt?”
- b. Question 24(B) of the 2013 Renewal Form asks: “If the answer to (A) is yes, did you provide a written confirmation of the settlement agreement to each New York City consumer with whom you entered into a settlement agreement?”
- c. Question 24(C) of the 2013 Renewal Form states: “If the answer to (B) is yes, attach copies of three examples of written confirmations of debt settlement agreements that you actually sent to New York City consumers dated before January 1, 2013.”
- d. 6 RCNY § 1-01.1(a) provides: “No applicant for a license or a renewal thereof shall fail to provide complete and truthful responses to all the information requested on an application for such license or renewal thereof and any documents related thereto.”
- e. 6 RCNY § 1-01.1(b) provides: “No applicant for a license or renewal thereof shall conceal any information, make a false statement or falsify or allow to be falsified any certificate, form, signed statement, application or report required to be filed with an application for a license that is to be issued by the department or for a renewal thereof.”
- f. ARB answered “Yes” to both Questions 24(A) and 24(B) of its 2013 Renewal Form. Via letter dated April 19, 2013 and affidavit dated May 6, 2013, ARB provided satisfactory proof that, in the past two years, ARB did not agree to allow any New York City consumers to settle a debt.
- g. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to Question 24(A).

(5) ARB Made a False Statement in Response to Question 25(A) of the 2013 Renewal Form and ARB Violated Requirements for Sending Confirmations of Satisfaction of Indebtedness:

- a. Question 25(A) of the 2013 Renewal Form asks: “For each New York City consumer who satisfies a debt according to a debt payment schedule or settlement agreement, do you send the consumer a written confirmation of the satisfaction of indebtedness?”

- b. Question 25(B) of the 2013 Renewal Form states: “If the answer to (A) is yes, attach copies of three examples of written confirmations you actually sent to New York City consumers dated before January 1, 2013.”
- c. 6 RCNY § 1-01.1(a) provides: “No applicant for a license or a renewal thereof shall fail to provide complete and truthful responses to all the information requested on an application for such license or renewal thereof and any documents related thereto.”
- d. 6 RCNY § 1-01.1(b) provides: “No applicant for a license or renewal thereof shall conceal any information, make a false statement or falsify or allow to be falsified any certificate, form, signed statement, application or report required to be filed with an application for a license that is to be issued by the department or for a renewal thereof.”
- e. Admin. Code § 20-493.1(a) requires, in relevant part, that a debt collection agency provide “[i]n any permitted communication with the consumer . . . (i.) a call-back number to a phone that is answered by a natural person, (ii.) the name of the agency, (iii.) the originating creditor of the debt, (iv.) the name of the person to call back, and (v.) the amount of the debt at the time of the communication.”
- f. 6 RCNY § 2-192(d) provides: “Upon a consumer’s payment of a debt as stated in the debt payment schedule or settlement agreement, the debt collection agency shall, within 21 calendar days after receipt of the final payment, send to the consumer a written confirmation of the satisfaction of the indebtedness that identifies the originating creditor and the original account number of the indebtedness.”
- g. ARB answered “No” to Question 25(A) of its 2013 Renewal Form. Via letter dated April 19, 2013, affidavit dated May 6, 2013, and email dated May 22, 2013, ARB provided satisfactory proof that, ARB does in fact send “a written confirmation of the satisfaction of indebtedness” to “each New York City consumer who satisfies a debt according to a debt payment schedule or settlement agreement.”
- h. Although ARB was required to submit three examples of written confirmations of satisfaction of indebtedness that ARB sent to New York City consumers dated before January 1, 2013, ARB submitted one letter dated January 4, 2013. ARB submitted only two letters dated before January 1, 2013 – letters dated December 12, 2012, and July 12, 2012. All three of the letters fail to provide the name of the person to call back.
- i. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to Question 25(A).
- j. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete response to Question 25(B), specifically by providing only two examples of letters sent before January 1, 2013.

- k. ARB violated Admin. Code § 20-493.1(a) by failing to provide the name of the person to call back in written communications with New York City consumers.
- (6) ARB Made False Statements in Response to Questions 31(C)(ii) and (D)(ii) of its 2013 Renewal Form:
- a. Question 31(C)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [c]opies of all written communications you sent to consumers.”
 - b. Question 31(C)(ii) of the 2013 Renewal Form asks: “If the answer to (C)(i) is yes, for how many years do you maintain these records?”
 - c. Question 31(D)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [c]opies of all written communications you received from consumers.”
 - d. Question 31(D)(ii) of the 2013 Renewal Form asks: “If the answer to (D)(i) is yes, for how many years do you maintain these records?”
 - e. 6 RCNY § 1-01.1(a) provides: “No applicant for a license or a renewal thereof shall fail to provide complete and truthful responses to all the information requested on an application for such license or renewal thereof and any documents related thereto.”
 - f. 6 RCNY § 1-01.1(b) provides: “No applicant for a license or renewal thereof shall conceal any information, make a false statement or falsify or allow to be falsified any certificate, form, signed statement, application or report required to be filed with an application for a license that is to be issued by the department or for a renewal thereof.”
 - g. 6 RCNY § 2-193(a)(1) and (d), require, in relevant part, that a debt collection agency maintain “[a] copy of all communications with the consumer” for “six years from the date the record was created by the debt collection agency, [or] a document was obtained or received by the debt collection agency”
 - h. ARB provided no answer to Question 31(C)(i), and answered “3 years” to Question 31(C)(ii) of its 2013 Renewal Form. Via letter dated April 19, 2013 and affidavit dated May 6, 2013, ARB provided satisfactory proof that ARB maintains “[c]opies of all written communications [ARB] sent to consumers” for at least 6 years.
 - i. ARB answered “Yes” to Question 31(D)(i) and “3 years” to Question 31(D)(ii). Via letter dated April 19, 2013 and affidavit dated May 6, 2013, ARB provided satisfactory proof that ARB maintains “[c]opies of all written communications [ARB] received from consumers” for at least six years.

- j. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete response to question 31(C)(i).
 - k. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to questions 31 (C)(ii).
 - l. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to question 31(D)(ii).
- (7) ARB Made False Statements in Response to Questions 31(A)(ii) and 31(B)(ii) of its 2013 Renewal Form:
- a. Question 31(A)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [a] log of all calls made to consumers, listing the date, time and duration of each call, the number called, and the name of the person reached during the call.”
 - b. Questions 31(A)(ii) of the 2013 Renewal Form asks: “If the answer to (A)(i) is yes, for how many years do you maintain these records?”
 - c. Question 31(B)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [c]opies of contemporaneous notes of all conversations with consumers?”
 - d. Question 31(B)(ii) of the 2013 Renewal Form asks: “If the answer to (B)(i) is yes, for how many years do you maintain these records?”
 - e. 6 RCNY § 2-193(b) and (d) require, in relevant part, that a debt collection agency maintain “(1) [a] monthly log of all calls made to consumers, listing the date, time and duration of each call, the number called and the name of the person reached during the call[,] (2) . . . and a copy of contemporaneous notes of all conversations with consumers” for “six years from the date the record was created by the debt collection agency”
 - f. ARB answered “Yes” to Questions 31(A)(i) and 31(B)(i), and answered “3 years” to both Questions 31(A)(ii) and 31(B)(ii) of its 2013 Renewal Form. Via letter dated April 19, 2013 and affidavit dated May 6, 2013, ARB provided satisfactory proof that ARB maintains a “log of all calls made to consumers” and “contemporaneous notes of all conversations with consumers” for at least six years.
 - g. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to question 31(A)(ii).
 - h. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to question 31(B)(ii).

(8) ARB Made False Statements in Response to Questions 31(F)(ii) and 31(G)(ii) of its 2013 Renewal Form:

- a. Question 31(F)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [c]opies of each debt payment schedule you reached with a consumer to pay the debt.”
- b. Question 31(F)(ii) of the 2013 Renewal Form asks: “If the answer to (F)(i) is yes, for how many years do you maintain these records?”
- c. Question 31(G)(i) of the 2013 Renewal Form asks: “State whether you maintain the following records with respect to your collection of debts from New York City consumers: . . . [c]opies of each settlement agreement you reached with a consumer to pay the debt.”
- d. Question 31(G)(ii) of the 2013 Renewal Form asks: “If the answer to (G)(i) is yes, for how many years do you maintain these records?”
- e. 6 RCNY § 2-193(a)(3) and (d) require, in relevant part, that a debt collection agency maintain “[a] copy of the debt payment schedule and/or settlement agreement reached with the consumer to pay the debt” for “six years.”
- f. ARB answered “Yes” to 31(F)(i) and 31(G)(i), and “3 years” to Questions 31(F)(ii) and 31(G)(ii) of its 2013 Renewal Form. Via letter dated April 19, 2013 and affidavit dated May 6, 2013, ARB provided satisfactory proof that ARB maintains “copies of each debt payment schedule reached with a consumer to pay a debt” and will maintain “copies of each settlement agreement reached with a consumer to pay a debt” if ARB should, in the future, enter into a settlement agreement with a New York City consumer for at least six years.
- g. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to question 31(F)(ii).
- h. ARB violated 6 RCNY § 1-01.1 by failing to provide a complete and truthful response to question 31(G)(i).

(9) ARB Breached the 2010 Consent Judgment Order:

- a. By the Consent Judgment Order that ARB entered with the Department dated November 03, 2010 in PL001059567 (“2010 CJO”), ARB agreed to, among other things, the following terms:
 - i. “[ARB] agrees to comply with all relevant laws and rules related to debt collection in New York City including, but not limited to, the Licensing Law, the Debt Collection Agencies Law, the Consumer Protection Law, and the Debt Collection Rules.” 2010 CJO, ¶ 6.
 - ii. “Any future violations by [ARB] of the Licensing Law, Debt Collection Agencies Law and/or the Rules, including the Debt

Collection Rules, shall be treated by the Department as knowing violations.” 2010 CJO, ¶ 7.

iii. “In the event of any material breach on the part of [ARB] with regard to any of the terms of this CJO, such breach shall be the basis for the Department to reset this matter for a hearing and to seek maximum fines and penalties in addition to any other remedies provided for herein, including suspension or revocation of [ARB]’s license for a lack of fitness.” 2010 CJO, ¶ 11.

b. Based on the above violations, ARB is in breach of the 2010 Consent Judgment Order.