

DEPARTMENT OF CONSUMER AFFAIRS
OF THE CITY OF NEW YORK

NYC DEPARTMENT OF CONSUMER
AFFAIRS,

Complainant,

-against-

Southern Management Systems, Inc.,
625-C Herndon Avenue,
Orlando, Florida 32803.

Respondent.

CONSENT ORDER

Violation No.: PL001051272

1. Southern Management Systems, Inc. ("Respondent") consents to a final Consent Order with the New York City Department of Consumer Affairs (the "Department") in the above captioned matter, specifically, the Department's investigation of unlicensed debt collection activity by Respondent in violation of the licensing requirement of Section 20-490 of the New York City Administrative Code ("Admin. Code").
2. Theresa Sigbee, as Respondent's Vice President, represents and warrants that she is authorized to settle this action and to enter into a final Consent Order with the Department on behalf of Respondent.
3. 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, any person whose principal activity is the selling of any goods or services for Respondent, and any person whose earnings are based in whole or in part on commission for work performed for Respondent.

LICENSE

4. 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.

5. If Respondent is found to be engaging in debt collection activity without the required license(s) at any time after the execution of this Consent Order, for the purpose of imposing fines, there shall be a presumption of continuous unlicensed activity commencing on the date of execution of this Consent Order.
6. Respondent agrees to comply fully with all relevant laws and rules related to debt collection in New York City including, but not limited to: (a) the Licensing Law and Rules, Admin. Code § 20-101 *et seq.* and Title 6 of the Rules of the City of New York ("6 R.C.N.Y.") §§ 1-01 *et seq.*; (b) the Debt Collection Agencies Licensing Law and Rules, Admin. Code §§ 20-488 *et seq.* and 6 R.C.N.Y. §§ 2-190 *et seq.*; and (c) the Consumer Protection Law and Rules, Admin. Code §§ 20-700 *et seq.* and 6 R.C.N.Y. §§ 5-76 *et seq.*
7. Respondent further agrees that any future violations of the Consumer Protection Law and Rules shall be treated by the Department as knowing violations.
8. Upon the termination of a license by revocation, expiration, denial, or surrender, Respondent shall immediately cease its debt collection activities with respect to New York City consumers, and Respondent shall return all creditor accounts to the creditor(s) within thirty (30) days with a copy of this Consent Order.

FINE

9. Respondent agrees to pay a fine of \$6,000.00 with the payment due upon execution of this agreement, to be paid by certified check or money order made payable to the New York City Department of Consumer Affairs. Respondent shall deliver the payment to: New York City Department of Consumer Affairs, 42 Broadway – 9th Floor, New York, New York 10004, Attn: Shannon Bermingham.

COMPLAINT RESOLUTION

10. Respondent agrees to resolve, promptly and in good faith, any and all consumer complaints filed with the Department. In the event such complaints cannot be resolved between the parties with or without the assistance of the Department, Respondent agrees to submit to the Department's jurisdiction to adjudicate such complaints and abide by any Department determination made on the merits of said complaint.

CONSEQUENCES OF BREACH

11. In the event Respondent is found to have breached any of the terms of this Consent Order, Respondent shall be ordered to pay maximum fines and shall be subject to revocation of its license.

OTHER TERMS AND CONDITIONS

- 12. 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.
- 13. Respondent agrees to waive any further right to a hearing and/or appeal of the above-referenced citation under Section 20-105 of the Code or under Article 78 of the New York State Civil Practice Law and Rules, Sections 7801-7806.
- 14. This matter will be considered settled upon execution of this Consent Order and payment of the settlement sum as set forth above in Paragraph 9.

Agreement Dated: ~~September~~ ^{January} 22 2013

Agreed to by:

Theresa Sigbee
Print name

VIP
Title

Theresa Sigbee
Signature

1/19/13
Date

Accepted for Jonathan Mintz,
Commissioner of Consumer Affairs
for the City of New York by:

[Redacted]
Print name

Settlement Officer
Title

[Redacted]
Signature

1/22/13
Date

All businesses must comply with all relevant local, state and federal laws. Copies of New York City's laws and rules pertaining to debt collection agencies are available: in person at DCA's Licensing Center, located at 42 Broadway, 5th Floor, New York, NY 10004; by calling 311, New York City's 24-hour Citizen Service Hotline; or by going online at www.nyc.gov/consumers.