

**DEPARTMENT OF CONSUMER AFFAIRS
CITY OF NEW YORK**

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DEPARTMENT OF CONSUMER AFFAIRS,	CONSENT ORDER
Complainant,	
-against-	Violation No.: 5349403
Leunes, Steven d/b/a TripleAC Resolutions,	
Respondent.	
-----X	

1. Leunes, Steven d/b/a TripleAC Resolution (“Respondent”) and Respondent Shareholders enter into this Consent Order with the Department of Consumer Affairs (“the Department”) to settle the above captioned matter and to avoid further investigation and litigation with regard to the specific violations identified in Paragraph 2 for the period from September 1, 2012 to August 19, 2015.
2. On June 19, 2015, the Department issued Notice of Hearing 5349403 to Respondent, charging Respondent with violating Section 5-77(e)(1) of the Rules of the City of New York (“RCNY” or the “Rules”) by collecting or attempting to collect amounts not “permitted by law” — specifically, payday loans, which are usurious and therefore legally void in New York — from New York City consumers; Section 5-77(d)(14) of the Rules by falsely representing the legal status of payday loans to eighteen New York City consumers as valid and owing when payday loans are void in New York State because their interest rates violate the New York usury laws; Section 20-493.1(a) of the New York City Administrative Code (“Admin. Code”) by failing to include the name of a call back person in six of its written communications with New York City consumers; Section 20-493.1(b) of the Admin. Code by failing to send eleven written confirmations of an agreement to enter in to a debt payment schedules or settlement agreement; Section 2-192(a) of the Rules by failing to include the name of the employee or the name of the employee’s supervisor who concluded the agreement to enter into a debt payment schedule or settlement agreement, and the date the agreement was made in eight written confirmations of an agreement to enter into a debt payment schedule or settlement agreement; Section 2-192(b) of the Rules by failing to include the account number of the original indebtedness in two written confirmations of satisfaction of indebtedness; Section 1-16(a) of the Rules by failing to make all records required

by 6 RCNY § 193 available for review by the Department; Section 20-493(b) of the Admin. Code by failing to produce its books and records related to its debt collection business practices or methods; Section 2-193(a)(1) of the Rules by failing to maintain records of all communications with New York City consumers; Section 2-193(b)(2) of the Rules by failing to maintain records of phone recordings with New York City consumers; and Section 2-193(c)(2) of the Rules by failing to maintain records of all policies, training manuals and guides for employees or agents that direct, describe, suggest or promote how a collector is to interact with consumers in the course of seeking to collect a debt.

3. Steven Leunes and Angela Pantano, as the sole shareholders of TripleAC Resolutions Inc. (the “Respondent Shareholders”), jointly and severally represent and warrant that they are authorized to enter into this Consent Order on behalf of Respondent.
4. The Respondent Shareholders represent and warrant that TripleAC Resolutions Inc. is insolvent. The Respondent Shareholders have provided the Department with documents supporting TripleAC Resolutions Inc.’s insolvency.
5. This Consent Order shall apply to Respondent, Respondent Shareholders, 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.
6. Respondent and Respondent Shareholders agree 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 § 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.*

INJUNCTIVE RELIEF

A. Licensing

7. For five (5) years following the execution of this Consent Order:
 - a. Respondent and Respondent Shareholders shall not act as a debt collection agency, as defined by Section 20-489 of the Code, with respect to New York City consumers.

- b. Respondent and Respondent Shareholders shall not apply for a debt collection agency license from the Department.
 - c. Respondent and Respondent Shareholders shall immediately clearly and conspicuously include the disclosure “Not licensed by the New York City Department of Consumer Affairs to collect debts from New York City consumers.” in close proximity to any reference to licensing or registration on any websites it owns, controls, or maintains, in which it promotes or references debt collection, and in all other advertisements. Respondent and Respondent Shareholders shall also clearly and conspicuously include this disclosure prominently on the front page of any such website.
 - d. Respondent and Respondent Shareholders shall not solicit for collection debt portfolios that include purported debts of New York City consumers.
8. Respondent and Respondent Shareholders shall include the following with any application for a license from the Department:
- a. A copy of this Consent Order.
 - b. A copy of its policies and procedures, as described in Paragraph 11(a).
 - c. A list containing:
 - i. The jurisdictions from which it or any of its principals holds a license to collect debts.
 - ii. The jurisdictions which denied it or any of its principals a license.
 - iii. The jurisdictions which revoked or suspended its license or the license of its principals.
 - iv. The jurisdictions which imposed penalties or sanctions on it or any of its principals.

B. Prohibited Debt Collection Practices

9. If Respondent or Respondent Shareholders obtain a license from the Department (the “Licensee”), the Licensee shall not:
- a. Violate any section of the following:
 - i. Chapter 1 of Title 20 of the Code or Chapter 1 of the Rules (Admin. Code § 20-202 et seq. and 6 RCNY § 1-01 et seq., the “Licensing Law”).
 - ii. Chapter 2, Subchapter 30 of Title 20 of the Code or Chapter 2, Subchapter S of the Rules (Admin Code § 20-488 et seq. and 6 RCNY § 2-190 et seq., the “Debt Collection Agency Law”).
 - iii. Chapter 5, Subchapter 1 of Title 20 of the Code or Chapter 5 Subchapter A of the Rules (Admin. Code § 20-700 et seq. and 6 RCNY § 5-01 et seq., the “Consumer Protection Law”).
 - b. Collect or attempt to collect debts from New York City consumers unless it has obtained: (i) a copy of the debt document issued by the originating creditor or an original written confirmation evidencing the transaction from which the debt to the originating creditor arose, either of which must have been created or generated before default on the debt; and (ii) a copy of the final statement of account issued by the originating creditor and a document itemizing: (1) the total amount remaining due on the total principal balance of the debt to the originating creditor

- and (2) each additional charge or fee alleged to be due that separately (A) lists the total for each charge or fee and the date that each charge or fee was incurred; and (B) identifies and describes the basis of the consumer's obligation to pay it.
- c. Falsely represent to any New York City consumer that it or its representative is an attorney.
 - d. Threaten the arrest of any New York City consumer for purported nonpayment of a debt.
 - e. Disclose the existence of any debt allegedly owed by a New York City consumer on an answering machine or voicemail message.
 - f. Collect or attempt to collect debts from New York City consumers if those debts arise from usurious loans.
 - g. Collect or attempt to collect debts from New York City consumers if those debts have been paid in full or settled pursuant to an oral or written agreement.
 - h. Use any name other than an actual or fictitious name it has registered with the New York Department of State.
 - i. Sell or provide to any other entity for the purpose of collection or attempted collection:
 - i. Any debt of a New York City consumer for which Respondent does not have the documentation described in Paragraph 14(b), whether or not the debt is contained in a debt portfolio.
 - ii. Any debt of a New York City consumer that arises from a usurious loan, whether or not the debt is contained in a debt portfolio.
 - iii. Any debt of a New York City consumer that has been paid in full, settled pursuant to an oral or written agreement.
 - iv. Any debt of a New York City consumer that is more than six (6) years old.

C. Affirmative Obligations

10. If Respondent or Respondent Shareholders obtain a license from the Department (the "Licensee"), the Licensee shall engage in the following practices:
- a. In each instance in which a New York City consumer, at any time, questions, disputes, or challenges the accuracy or completeness of the information on which the Licensee is relying to collect or attempt to collect a debt, or a person acting reasonably would consider the information on which the Licensee is relying to make any representation regarding either the existence or the amount of a debt to be facially unreliable, materially inaccurate, or missing material information, the Licensee shall either:
 - i. Extinguish the debt, permanently terminate collection efforts, 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 and complete a reasonable investigation into the accuracy or completeness of such information. If the Licensee does not substantiate that the consumer owes the debt following a reasonable

investigation, the Licensee shall 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. If the Licensee does not complete its reasonable investigation within sixty (60) days from receipt of the dispute, the Licensee shall extinguish the debt and request deletion of that item from the consumer's credit reporting file.

b. The Licensee shall confirm in writing to any New York City consumer, within five (5) business days, any debt payment schedule or settlement agreement reached between the Licensee and the consumer regarding the debt. The Licensee's confirmation of the debt payment schedule or settlement agreement shall conform to Section 2-192 of the Rules.

c. With regard to any New York City consumer's debt that arises from a usurious loan, or a loan that has been paid in full or settled pursuant to an oral or written agreement, the Licensee shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which the Licensee furnishes information, a request for deletion of any negative information from the consumer's credit report.

D. Policies, Procedures, and Training

11. If Respondent or Respondent Shareholders obtain a license from the Department (the "Licensee"), the Licensee shall:

a. Implement policies and procedures to ensure that:

i. The Licensee complies with each of the provisions of this Consent Order and the Licensing Law, the Debt Collection Agency Law, and the Consumer Protection Law.

ii. The Licensee does not purchase, collect, or attempt to collect debts from New York City consumers if those debts arise from usurious loans. These policies and procedures shall include, but not be 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."

iii. The Licensee conducts oversight and monitoring of employees, including monitoring of at least 5% of its employees' debt collection telephone calls, in such a manner that its employees do not know when they are and are not being monitored.

iv. Take and document appropriate disciplinary action against any employee who fails to comply with this Consent Order and the Licensing Law, the Debt Collection Agency Law, and the Consumer Protection Law. This action shall include but not be limited to suspending or terminating the employee's employment, agency, or other relationship with the Licensee.

v. Train all employees before they engage in any collection activities related to New York City consumers; train all employees within ten

(10) days of their start date and all employees annually on the requirements of this Consent Order and all laws and rules relevant to the collection of debt from New York City consumers. This training shall include but not be limited to training on the prohibitions against falsely representing that the employee is an attorney and representing that the nonpayment of a debt will result in the arrest of a consumer.

E. Record Keeping

12. If Respondent or Respondent Shareholders obtain a license from the Department (the "Licensee"), the Licensee shall maintain the following records:
 - a. All records required by Section 2-193 of the Rules.
 - b. A record identifying all employees, including name, address, phone number, email address, title, responsibilities, and any alias used for collection purposes.
 - c. A record of any disciplinary actions against its employees, identifying employees as set forth in Paragraph 12(b).
 - d. A log of employee training, identifying each employee as set forth in Paragraph 12(11.a.iii).
 - e. A record of all debt portfolios purchased by The Licensee.
 - f. A record of any insurance policies that provide coverage for litigation or investigations related to debt collection.
 - g. Copies of certified financial statements for the Licensee.
 - h. A record of all calls monitored as required by Paragraph 11(a)(11.a.ii), including the date, time, and duration of each call, the number called, the number from which the call was made, and the name of the person reached during the call, and any notes taken during the call by either the monitor or the caller.
13. The Licensee shall maintain the records described in this section for six (6) years from the date created or obtained by the Licensee, except that recordings of conversations with consumers shall be retained for one (1) year after the date of the last conversation recorded on each completed recording tape.

COMPLIANCE MONITORING AND REPORTING

14. Respondent Shareholders are jointly and severally responsible for ensuring adherence to the terms of this Consent Order.
15. Respondent and Respondent Shareholders agree that it will cease all operations and debt collection activity in all jurisdictions within ninety (90) days of the date of this Consent Order. Within ninety (90) days of the date of this Consent Order, Steven Leunes shall deliver to the Department a sworn statement certifying that Respondent has ceased all operations and debt collection activity in all jurisdictions. If Steven Leunes fails to deliver the sworn statement described above, the Department will seek entry of judgment against Respondent

16. If Respondent or Respondent Shareholders obtain a license from the Department (the "Licensee"), the Licensee shall:
 - a. Within twenty (20) days of receipt of written notice from the Department, the Licensee 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:
 - i. Documents related to any provision of this Consent Order, including but not limited to:
 1. Copies of any complaints the Licensee received regarding the Licensee's attempts to collect debt purportedly owed by New York City consumers.
 2. Transcripts of the recordings required by Section 2-193(b)(2) of the Rules.
 3. Documents sufficient to identify the manner in which The Licensee maintains its records.
17. Respondent and Respondent Shareholders shall respond to all subpoenas and document requests issued to it by the Department.
18. Nothing in this section shall be construed to obviate Respondent and Respondent Shareholders' responsibilities pursuant to Admin. Code section 20-493(b); 6 R.C.N.Y. sections 1-14, 1-16; and 2-193.
19. Respondent and Respondent Shareholders 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 relating to its debt collection activity.
20. Respondent and Respondent Shareholders 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, the Licensee shall respond in writing to the Department regarding those consumer complaints within twenty (20) days of receipt of any complaints.
21. Any notices required or permitted by this Consent Order will be in writing and sent by United States mail, certified mail return receipt requested, or by a nationally-recognized courier services that provides for tracking services and identification of the person signing for the document, and addressed as follows:

If to the Department, to:

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

Re: 2015 Consent Order

With a required copy to:

legaldebtcoll@dca.nyc.gov

If to Respondent:

Craig A. Fine, Esq.



Either party may change or add the name and address of the person designated to received notice on its behalf by notice given in the manner provided for in this paragraph.

CONSEQUENCES OF BREACH OF CONSENT ORDER

22. A finding, after notice and hearing, that Respondent or Respondent Shareholders have committed a breach of the terms of this Consent Order shall constitute prima facie evidence of Respondent or Respondent Shareholders' lack of fitness to hold a license from the Department.
23. Upon a finding, after notice and hearing, that Respondent or Respondent Shareholders has committed violations of this Consent Order, the Licensing Law, the Debt Collection Agency Licensing Law, or the Consumer Protection Law, such party shall pay a minimum of seven hundred (\$700) and a maximum of one thousand dollars (\$1,000) for each violation as well as the Department's costs for investigation and litigation.
24. Respondent or Respondent Shareholders' failure to produce any of the documents required by this Consent Order, the Admin. Code, or the Rules shall constitute prima facie evidence that such party 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.

25. 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 violation of the Licensing Law or Rules, the Debt Collection Agency Law or Rules, or the Consumer Protection Law or Rules, Respondent shall pay \$1000 for breach of the Consent Order and a penalty for violation of the applicable Law or Rule as set forth in Paragraph 24

PENALTIES AND OTHER TERMS AND CONDITIONS

26. Respondent shall pay \$2,000 to the Department, due upon execution of this Consent Order. Payment shall be made by bank check, certified check, or money order in the full amount 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: [REDACTED], 42 Broadway, 9th Floor, New York, New York 10004.
27. Respondent shall pay \$1,798.73 to be held by the Department in a consumer restitution fund and distributed to the consumers named in the above captioned Notice of Hearing. Any excess restitution shall revert to the Department as fines one year from the date of execution of this Consent Order.
28. If Respondent or Respondent Shareholders seek a license from the Department, the party or parties seeking a license shall provide to the Department, a bank check, certified check, or money order in the amount of \$78,000 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: Emily L. Anderson, 42 Broadway, 9th Floor, New York, New York 10004.
29. This Consent Order shall constitute a final order pursuant to Section 6-42(c) of the Rules.

WAIVER OF APPEALS

30. Respondent and the Department each waives its right to a hearing on, appeal of and/or any challenge of, in any forum, the facts alleged by the above-referenced Violation Number 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.

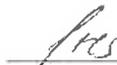
MISCELLANEOUS

31. 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.
32. This Consent Order resolves the Notice of Hearing cited in this Consent Order in paragraph 2 and is a complete settlement and release of all claims that arose between September 1, 2012 and August 19, 2015. This Consent Order does not limit the Department's ability to bring charges for violations outside of September 1, 2012 to August 19, 2015.
33. 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 for the in the "Agreement Dated" field below.
34. 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:

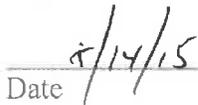


 Steven Leunes



 Title

 Signature



 Date

Agreed to for the Respondent by:

 Angela Pantano

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

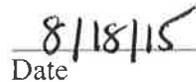


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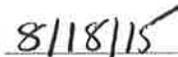
 Staff Attorney
 Title



 Signature



 Date

Agreement Dated: 

Title

Signature

Date

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, 1st 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.

