

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

-----X  
SUPERSEDING CONSENT ORDER

DEPARTMENT OF CONSUMER AFFAIRS,

Complainant,

-against-

Violation No.: LL 05333293

VISION FINANCIAL CORP. d/b/a VISION HEALTHCARE License No.: 1444871  
FINANCIAL,

Respondent.

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1. Vision Financial Corp. ("Vision" or "Respondent") consents to a final Consent Order with the New York City Department of Consumer Affairs (the "Department") in the above captioned matter, in which the Department alleges that Respondent violated Sections 1-01.1 and 6-42(c) Title 6 of the Rules of the City of New York (the "Rules").
2. Respondent will submit new applications to license the following locations: Rockford, IL and Maryland Heights, MO.
3. Respondent does not admit to these violations, but consents to a Consent Order with the Department to obtain a license and to avoid further litigation with regard to the specific charges identified in paragraph 1. This Consent Order supersedes the Consent Order dated November 10, 2010 between the Respondent and the Department.
4. Mr. Scott Cahalane as President represents and warrants that he is authorized to enter into this Consent Order on behalf of Respondent.
5. This Consent Order shall apply to Respondent, its directors, officers, employees, representative agents, assignees, and successors and shall be effective for four (4) years from the date of execution of this Consent Order. 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 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 Section 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. Section 5-76, *et seq.*

## **LICENSING**

7. 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.
8. While Respondent does not currently use any process server individuals or process server agencies, should Respondent start doing so, Respondent shall ensure that process server individuals and process server 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.
9. 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(s) to the Department.

## **PAYDAY LOANS; USURIOUS LOANS**

10. 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.
11. "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. A "usurious loan" does not include loans or obligations with an interest rate specifically authorized by New York law or federal law.
12. Respondent shall implement policies and procedures corresponding to paragraph 10 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."
13. 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**

14. 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, 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**

15. 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 each agreement transferring ownership of the debt on or after the 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**

16. Within sixty (60) 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 6;
  - 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 6;

- 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 6.

### **COMPLIANCE MONITORING AND REPORTING**

17. Respondent shall appoint Mr. Scott Cahalane 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: President.

- 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]

18. If the identity of such Compliance Officer changes Respondent shall provide to the Department the name, title, telephone number, address, and email address of the replacing Compliance Officer within ten (10) days of such change.

19. Within sixty (60) days of execution of this Consent Order, Respondent shall deliver to the Department:

- a. all written communication templates Respondent uses to collect debt from New York City consumers; and
- b. all policies and procedures Respondent uses 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 6.

20. 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:

- ii. Copies of any complaints Respondent received regarding Respondent's attempts to collect debt purportedly owed by New York City consumers.
  - iii. Transcripts of the recordings, or the recordings required by Section 2-193(b)(2) of the Rules.
  - iv. Documents sufficient to identify the manner in which Respondent maintains its records.
21. Without waiving its defenses and rights to object to overly broad, burdensome or harassing requests, Respondent shall respond to all subpoenas and document requests issued to it by the Department.
22. 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.
23. Unless prohibited by law, Respondent shall notify the Department of all pending actions, proceedings or investigations by government agencies against it within thirty (30) days of being notified of such action, proceeding, or investigation. For purposes of this paragraph, "investigation" shall mean any written communication from a government agency relating to Respondent's debt collection practices, to which Respondent must respond except for individual consumer complaints. Investigation shall not include a written communication from a government agency relating to jurisdiction specific licensing requirements and inquiries.
24. 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.
25. 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: [REDACTED]

NYC Department of Consumer Affairs

42 Broadway, 9<sup>th</sup> Floor

New York, NY 10004

Re: 2014 Consent Order

Email to: [legaldebtcoll@dca.nyc.gov](mailto:legaldebtcoll@dca.nyc.gov)

26. 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**

27. A finding, after notice and hearing, where Respondent may offer all defenses and explanations that Respondent has committed a material 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.
28. Upon a finding, after notice and hearing, that Respondent has committed material 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.
29. 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.
30. 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 28: one penalty for breach of the Consent Order and one penalty for the breach of the applicable Law or Rule.

## **PAYMENTS AND OTHER TERMS AND CONDITIONS**

31. Respondent shall pay \$9,000 to the Department. Upon execution of this Consent Order, Respondent shall make the payment 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: Emily Anderson, 42 Broadway, 9th Floor, New York, New York 10004. The terms of the Payment Plan shall be incorporated into this Consent Order.
32. This Consent Order shall constitute a final order pursuant to Section 6-42(c) of the Rules.

## **WAIVER OF APPEALS**

33. 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 captioned matter 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**

34. 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.

35. The acceptance of this Consent Order resolves the findings made in the above captioned matter. This Consent Order does not limit the Department's ability to bring charges for violations outside this time period.

36. 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.

37. 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:

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

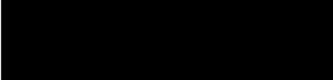
Scott Cabalone  
Print Name

Emily L. Anderson  
Print Name

President  
Title

Staff Attorney  
Title

  
Signature

  
Signature

12/1/14  
Date

12/5/14  
Date

Agreement Dated: 12/5/14

**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](http://www.nyc.gov/consumers).**