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DEPARTMENT OF CONSUMER AFFAIRS
OF THE CITY OF NEW YORK

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NYC DEPARTMENT OF CONSUMER
AFFAIRS,

Complainant,

-against-

Bureaus Investment Group Portfolio No. 1 LLC,
Bureaus Investment Group Portfolio No. 2 LLC,
Bureaus Investment Group Portfolio No. 3 LLC,
Bureaus Investment Group Portfolio No. 4 LLC,
Bureaus Investment Group Portfolio No. 5 LLC,
Bureaus Investment Group Portfolio No. 6 LLC,
Bureaus Investment Group Portfolio No. 7 LLC,
Bureaus Investment Group Portfolio No. 8 LLC,
Bureaus Investment Group Portfolio No. 10 LLC,
Bureaus Investment Group Portfolio No. 11 LLC,
Bureaus Investment Partners II" ("BIP II"),

650 Dundee Rd., Suite 370
Northbrook, IL 60062

Respondents.
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CONSENT ORDER

Violation No. 05349390

1. Bureaus Investment Group Portfolio No. 1 LLC ("Bureaus No. 1"), Bureaus Investment Group Portfolio No. 2 LLC ("Bureaus No. 2"), Bureaus Investment Group Portfolio No. 3 LLC ("Bureaus No. 3"), Bureaus Investment Group Portfolio No. 4 LLC ("Bureaus No. 4"), Bureaus Investment Group Portfolio No. 5 LLC ("Bureaus No. 5"), Bureaus Investment Group Portfolio No. 6 LLC ("Bureaus No. 6"), Bureaus Investment Group Portfolio No. 7 LLC ("Bureaus No. 7"), Bureaus Investment Group Portfolio No. 8 LLC ("Bureaus No. 8"), Bureaus Investment Group Portfolio No. 10 LLC ("Bureaus No. 10"), Bureaus Investment Group Portfolio No. 11 LLC ("Bureaus No. 11"), and Bureaus Investment Partners II ("BIP II") (collectively, the "Respondents") consent to a final Consent Order with the New York City Department of Consumer Affairs (the "Department") in the above captioned matter.
2. In or around August 2012, Respondents submitted applications for debt collection agency licenses. The Department has reviewed Respondents' license applications, public records and records maintained by the Department, and information provided by Respondents.

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*Consent Order
Bureaus Investment Group Portfolio No. 1 et al, LLC*

3. The Department finds that Respondents violated Section 20-490 of the New York City Administrative Code (“Admin. Code”) by filing and/or maintaining consumer credit lawsuits in New York City courts against New York City consumers without licenses from the Department.
4. Respondents do not admit to these violations, but enter into this Consent Order to avoid further investigation and litigation with regard to the violations identified in paragraph 3. This Consent Order does not constitute evidence and shall not be construed as a concession or admission.
5. Aristotle Sangalang, as Respondents’ corporate designee, represents and warrants that he is authorized to settle this action and to enter into a final Consent Order with the Department on behalf of Respondents.
6. This Consent Order shall apply to Respondents, their owners, 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 Respondents 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 Respondents, and any person whose earnings are based in whole or in part on commission for work performed for Respondents.

LICENSE

7. Respondents have withdrawn all licensing applications with the Department and Respondents do not seek licenses or to operate in New York City as “debt collection agencies” as defined in Section 20-489 of the Admin. Code.
8. Respondents shall not act as debt collection agencies as defined in Section 20-489 of the Admin. Code at any time without holding valid licenses from the Department.
9. If Respondents are found engaging in debt collection activity without licenses 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.
10. If Respondents become licensed by the Department, Respondents shall 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 Sections 20-101 *et seq.* and Title 6 of the Rules of the City of New York (“6 R.C.N.Y.” or “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.*
11. Respondents further agree that any future violation of the Consumer Protection Law and Rules shall constitute a knowing violation, pursuant to Section 20-703(b) of the Admin. Code.

12. Should Respondents become licensed by the Department, upon the termination of a license by revocation, expiration, denial, surrender, or operation of law, Respondents shall immediately cease its debt collection activities with respect to New York City consumers, and close all pending accounts within thirty (30) days.

INJUNCTIVE AND MONETARY RELIEF

13. Respondents shall pay a fine of \$10,000 due upon execution of this agreement, to be paid by company check, certified check, or money order made payable to the New York City Department of Consumer Affairs.
14. Upon execution of this Consent Order, Respondents shall pay \$16,932.08 to the Department to be held by the Department in a Consumer Restitution Fund (the "Fund"), and distributed by the Department to the consumers named in Attachment A of this Consent Order
15. Any excess restitution shall revert to the Department as fines one year from the date of execution of this Consent Order.
16. All payments should be delivered to the New York City Department of Consumer Affairs, Legal Division, Attn: Shannon Bermingham, 42 Broadway, 9th Floor, New York, New York 10004.
17. Within twenty (20) days of the execution of this Consent Order, Respondents will identify all pending garnishments, levies, liens, restraining notices, or attachments relating to any judgment entered or a default resulting from a lawsuit commenced by Respondents in any court against a New York City consumer. Respondents shall ensure that all pending garnishments, levies, liens, restraining notices, or attachments relating to such judgments and defaults be released, and Respondents shall seek to vacate any such judgments and defaults. This affirmative obligation shall continue up until all pending garnishments, levies, liens, restraining notices, or attachments relating to such judgments and defaults have been released and all such judgments and defaults have been vacated.
18. Within thirty days of executing this Consent Order, Respondents shall dismiss with prejudice, any consumer credit lawsuits pending in New York City against New York City consumers.
19. Within twenty (20) days of the executing this Consent Order, Respondent shall identify each credit reporting agency to which Respondent furnished information, or had information furnished on its behalf, about a New York City consumer. Within thirty (30) days of the execution of this Consent Order, Respondent shall either:
 - a. submit to each identified credit reporting agency to which Respondents furnished such information a written request for deletion of that information, or

- b. submit to each identified third party collector who furnished information to a credit reporting agency on Respondents' behalf, a written request that the third party collector delete such information.

COMPLIANCE WITH THIS CONSENT ORDER

20. Within forty-five (45) days of the execution of this Consent Order, Respondents shall provide the Department with a sworn statement affirming that Respondents:
 - a. closed all its New York City consumer accounts and ceased all collection efforts; and
 - b. complied with the requirements of paragraphs 17, 18, and 19 of this Consent Order.

COMPLAINT RESOLUTION

21. Respondents shall 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, Respondents shall submit to the Department's jurisdiction to adjudicate such complaints and abide by any Department determination made on the merits of said complaint, subject to Respondents' rights to object and to seek review of any determination.

COLLECTION PRACTICES

22. In addition to complying with the requirements in Admin. Code Section 20-493.2 and 6 R.C.N.Y. Sections 2-190, and 5-77(f) of the Rules, should Respondents obtain a license from the Department, Respondents shall engage in the following practices:
 - a. Whenever a New York City consumer questions, disputes, or challenges the information on which Respondents are relying to collect or attempt to collect a debt, Respondents 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 Respondents do not complete a reasonable investigation within thirty (30) days from receipt of the dispute, Respondents 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 Respondents cannot substantiate that the consumer owes the debt, Respondents 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, Respondents shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondents furnish information a request for deletion of any negative information from the consumer's credit report.
23. Respondents shall not purchase, collect, or attempt to collect debts from New York City consumers if those debts arise from usurious loans, including but not limited to payday loans. For the purposes of this agreement, "usurious loan" means 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. Respondents shall implement policies and procedures to comply with the terms of this paragraph 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."
24. With regard to any New York City consumer's debt that arises from a usurious loan, Respondents shall close the account, permanently terminate collection efforts with respect to the specific debt, and submit to any consumer reporting agency to which Respondents furnish information a request for deletion of any negative information from the consumer's credit report.

CONSEQUENCES OF BREACH

25. In the event Respondents are found to have breached any of the terms of this Consent Order, Respondents shall be ordered to pay maximum fines and shall be subject to license revocation.

OTHER TERMS AND CONDITIONS

26. The acceptance of this Consent Order by the Department shall not be deemed approval by the Department of any of Respondents' business practices, and Respondents shall make no representation to the contrary.
27. Respondents agree 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.

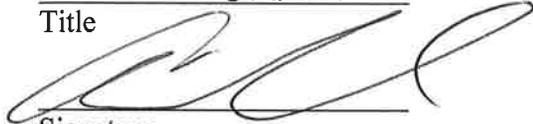
28. This matter will be considered settled upon execution of this Consent Order and payment of the settlement sum and restitution amount, set forth above in paragraphs 13 and 14.

Agreement Dated: February 18, 2015
Agreed to for Respondents by:

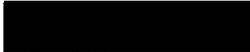
Accepted for Julie Menin, Commissioner of
the New York City Department of Consumer
Affairs, by:

ARISTOTELE SANCIDLANG
Print Name

APPOINTED DESIGNEE
Title


Signature

2/18/2015
Date


Staff Attorney


Signature

2/26/2015
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, 1st 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.