

DEPARTMENT OF CONSUMER AFFAIRS
OF THE CITY OF NEW YORK

-----X
NYC DEPARTMENT OF CONSUMER
AFFAIRS,

Complainant,

-against-

AID ASSOCIATES INC.
7 Penn Plaza
New York, NY 10001

Respondent-Licensee.
-----X

SETTLEMENT AGREEMENT

Violation No. LL5287406

License No. 1381137

Respondent

1. Respondent Aid Associates Inc. (“Respondent” or “Aid”) is currently licensed by the New York City Department of Consumer Affairs (“DCA”) as a debt collection agency (License 1381137) pursuant to the New York City Administrative Code (“Code”) Title 20, Sections 20-101 et seq. (“License Enforcement Law”) and Sections 20-488 et seq. (“Debt Collection Agencies Law”). Respondent’s premises address is 7 Penn Plaza, New York, NY 10001. Respondent has been licensed by the Department as a debt collection agency since April 4, 1993.

Facts

2. On November 22, 2010, Respondent submitted to the Department a renewal application as its license was due to expire on January 31, 2011. The Department notified Respondent that it would not accept the license renewal application and advised it to file a new license application, in light of a change in corporate officers first disclosed in the renewal application.
3. Respondent filed a license application with the Department dated January 20, 2011 (the “New License Application”) reflecting a change in corporate officers, as well as a change in ownership.
4. Respondent failed to state on its New License Application its trade name (“DBA”) “Plaza Associates”. Respondent has nonetheless collected and has attempted to collect debts from New York City consumers under the name “Plaza Associates” from February 1, 2011 to date, including through letters and phone calls.

5. Code Section 20-113 prohibits a licensee from conducting licensed activity under a name other than the one to whom a license was issued. Code Section 20-113 further requires that if a licensed activity is going to be conducted under a trade name, that trade name must be stated on the application.
6. DCA charges Respondent with violating Section 20-113 by engaging in licensed activity under a name not stated in its application. Respondent does not admit to these charges, but desires to resolve this matter through this Settlement Agreement (the "Agreement").

Remedies

7. Respondent consents to the Agreement with the New York City Department of Consumer Affairs to resolve this matter.
8. Paul Brennan, as President of Respondent, represents and warrants that he is authorized to settle this matter and enter into this Agreement on behalf of Respondent.
9. Respondent agrees that within ten (10) days of execution of this Agreement, it shall submit to the Department an affidavit from a corporate officer stating its intent to use the trade name "Plaza Associates," together with a copy of the "Certificate of Assumed Name" pursuant to Section 130 of the New York State General Business Law filed with the New York State Department of State. Respondent may transmit the affidavit by email addressed to the General Counsel at Mtepper@dca.nyc.gov. The Subject line of the email shall state "Plaza Associates Settlement Agreement Compliance Affidavit Violation No. LL5287406."
10. Respondent agrees to comply with all relevant provisions of the New York City Administrative Code and rules promulgated under the Code, and relevant federal law and regulations at all times in the future with regard to its debt collection activity.

Settlement amount and other provisions

11. Respondent agrees to pay the settlement amount of \$583,000 (five hundred and eighty three thousand dollars) by bank check, certified check or money order made payable to the New York City Department of Consumer Affairs and deliver the check in the specified amount by hand no later than October 28, 2011 at 3:30 p.m. to: New York City Department of Consumer Affairs, 42 Broadway – 8th Floor, New York, New York 10004, Attn: Office of the General Counsel.

12. Respondent agrees to send an executed copy of the settlement by email to the General Counsel at MTepper@DCA.nyc.gov on or by October 24, 2011 at 5 p.m. The Subject line of the email shall state "Plaza Associates Executed Settlement Agreement Violation No. LL5287406."
13. Respondent agrees that scanned copies of the fully executed Agreement shall be treated as originals.
14. Respondent agrees that in the event of any material breach on the part of Respondent with regard to any of the terms of this Agreement, such breach shall be the basis for DCA to set 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 Respondent's license for a lack of fitness.
15. The Department will consider this matter settled upon execution of this Agreement, production of the document required in Paragraph 9 and payment of the sum as set forth in Paragraph 11.

Agreed to by:

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

Paul Brennan
President Aid Associates Inc.


Signature

10/22/11
Date


General Counsel and Deputy Commissioner
for Legal Affairs


Signature

October 21, 2011
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.