

IN THE MATTER OF:

**HEINZ ROCKWELL DUNN LLC,
a/k/a HEINZ ROCKWELL, DUNN, LLC,
a/k/a HEINZ ROCKWELL LLC, and**

JEREMY S. CAMPBELL

Respondents.

**BEFORE THE MARYLAND
STATE COLLECTION AGENCY
LICENSING BOARD IN THE OFFICE
OF THE COMMISSIONER OF
FINANCIAL REGULATION**

Case No.: CFR-FY2013-025

FINAL ORDER TO CEASE AND DESIST

WHEREAS, the Collection Agency Licensing Board in the Office of the Commissioner of Financial Regulation, a division of the Department of Labor, Licensing and Regulation of the State of Maryland, (the “Agency”) undertook an investigation into the business activities of Heinz Rockwell Dunn LLC, a/k/a/ Heinz, Rockwell, Dunn, LLC, a/k/a Heinz Rockwell LLC (collectively “HRD”) and Jeremy S. Campbell (“Campbell”) (together HRD and Campbell are the “Respondents”); and

WHEREAS, pursuant to the Maryland Collection Agency Licensing Act (“MCALA”), Md. Code Ann., Business Regulations Article (“BR”), §7-101 *et seq.*, the Agency is responsible for licensing and regulating persons engaged in collection agency activities in the State of Maryland (the “State”), and for otherwise enforcing the provisions of MCALA and the Maryland Consumer Debt Collection Act (“MCDCA”), *see* Md. Code Ann., Commercial Law Article (“CL”) §14-201 *et seq.*; and

WHEREAS, the Agency finds grounds to allege that Respondents have engaged in acts or practices which constitute violations of MCALA and MCDCA; and the Agency finds

that action under Md. Code Ann., Financial Institutions Article (“FI”) §2-115 is appropriate; and

WHEREAS, the Agency issued a Summary Order to Cease and Desist (the “Summary Order”) against Respondents on March 27, 2013, after determining that Respondents were in violation of the aforementioned provisions of Maryland law, and that it was in the public interest that Respondents cease and desist from engaging directly or indirectly in the business of collecting consumer claims from Maryland residents, and from otherwise engaging in collection agency business in the State; and

WHEREAS, the Summary Order notified Respondents of, among other things, the following: that Respondents were entitled to a hearing before the Agency to determine whether the Summary Order should be vacated, modified, or entered as a final order of the Agency; that the Summary Order would be entered as a final order if Respondents did not request a hearing within 15 days of the receipt of the Summary Order; that as a result of a hearing, or of Respondents’ failure to request a hearing, the Agency may, in the Agency’s discretion and in addition to taking any other action authorized by law, enter an order making the Summary Order final, issue a monetary penalty, require Respondents to pay restitution to aggrieved consumers, and to take affirmative action to correct violations; and take other actions related to Respondents’ collection activities; and

WHEREAS, the Summary Order was properly served on Respondents via First Class U.S. Mail and Certified U.S. Mail; and

WHEREAS, Respondents failed to request a hearing on the Summary Order within the fifteen (15) day period set forth in FI §§ 2-115(a)(2), or pursuant to BR §7-309, and have

not filed a request for a hearing as of the date of this Final Order to Cease and Desist (this “Final Order”); and

WHEREAS, the Agency began an investigation into the Respondents’ collection activities after receiving complaints pertaining to Respondents’ collection-related litigation activities in Maryland State courts, and the Agency determined that Respondents engaged in unlicensed collection activity in violation of various provisions of Maryland law, including but not limited to, violations of the MCALA and the MCDCA, based on the following:

1. BR §7-101 provides, in part, the following definitions:

(b) *Board*. “Board” means the State Collection Agency Licensing Board.

(c) *Collection agency*. “Collection agency” means a person who engaged directly or indirectly in the business of:

(1)(i) collecting for, or soliciting from another, a consumer claim; or

(ii) collecting a consumer claim the person owns, if the claim was in default when the person acquired it;

* * *

(d) *Commissioner*. “Commissioner” means the Commissioner of Financial Regulation.

(e) *Consumer claim*. “Consumer claim” means that:

(1) is for money owed or said to be owed by a resident of the State; and

(2) arises from a transaction in which, for a family, household, or personal purpose, the resident sought or got credit, money, personal property, real property, or service.

(f) *License*. “License” means a license issued by the Board to do business as collection agency.

(g) *Licensed collection agency*. “Licensed collection agency” means a person who is licensed by the Board to do business as a collection agency.

2. Pursuant to BR §7-201, “[t]here is a State Collection Agency Licensing Board in the Office of the Commissioner of Financial Regulation in the Department [of Labor, Licensing, and Regulation].” Further, BR §7-203 provides that, “[t]he Commissioner is chairman of the Board.”

3. BR § 7-305 provides that “[a] license authorizes a licensee to do business as a collection agency at only 1 place of business” and “[a] licensee may hold more than 1 license.”

4. BR §7-401(a) provides that, “except as otherwise provided in this title, a person may not knowingly and willfully do business as a collection agency in the State unless the person has a license.”

5. Pursuant to the MCDCA and specifically CL §14-202(8) “[i]n collecting or attempting to collect an alleged debt” a collector may not: “[c]laim, attempt, or threaten to enforce a right with knowledge that the right does not exist.”

6. Persons engaged in unlicensed collection activities involving Maryland consumers are in violation of BR §7-401(a) of the MCALA (“except as otherwise provided in this title, a person may not knowingly and willfully do business as a collection agency in the State unless the person has a license”). Engaging in unlicensed collection activities is also a violation of CL §14-202(8) of the MCDCA (“[o]n collecting or attempting to collect an alleged debt”, a collector may not “[c]laim, attempt, or threaten to enforce a right with knowledge that the right does not exist”). As the Court of Special Appeals recently held, “a judgment entered in favor of an unlicensed debt collector constitutes a void judgment as a matter of law.” *Finch, et al., v. LVNV Funding, LLC*, 212 Md. App. 748, 764, *cert. denied*, 435 Md. 266 (2013). Unlicensed collection activities also violate various provisions of the FDCPA: they constitute false or misleading representations in violation of 15 U.S.C. §1692e(2) (false representations about the “character, amount, or legal status of any debt”), §1692e(5) (“[t]he threat to take any action that cannot legally be taken or that is not intended to be taken”), and §1692e(10) (“[t]he use of any false representation or deceptive means to

collect or attempt to collect any debt”); and they constitute unfair or unconscionable means to collect or attempt to collect a debt, in violation of 15 U.S.C. §1692f(1) (the collection of any amount that is not permitted by law).

7. A non-exempt person who acquires consumer claims in default at the time of acquisition (a “consumer debt purchaser”), who then attempts to collect on those debts through litigation in Maryland State courts, is conducting business as a “collection agency” as defined by BR § 7-101(c). This applies regardless of whether the consumer debt purchaser is represented in litigation by an attorney either exempt from, or licensed under, the MCALA. Therefore, a consumer debt purchaser collecting debts through litigation in Maryland State courts is required to be licensed under the MCALA, and is subject to the regulatory authority of the Agency.

8. A consumer debt purchaser collecting debts through litigation in Maryland State courts also meets the definition of “collector” under CL § 14-201(b) of the MCDCA, and of “debt collector” under 15 U.S.C. § 1692a of the FDCPA.

9. Pursuant to BR §§ 7-308(a)(3)(ii) and 7-308(a)(4), the Agency has the authority to bring actions under the MCALA against a licensee engaged in various prohibited activities in connection with the collection of any consumer claim, including, but not limited to, for violations of the MCDCA.

10. The following relevant and credible evidence, obtained pursuant to the Agency’s investigation disclosed the following:

a. Campbell owns, manages, directs, operates, supervises, and oversees the business activities of HRD, which is engaged in the collection of consumer debts.

Campbell is not an attorney, although he files actions, requests for discovery, and wage garnishments on behalf of HRD in Maryland State courts.

b. HRD is a limited liability company that was organized under Maryland law on November 21, 2005. It is a consumer debt purchaser that acquires consumer debts in default, and then seeks to collect on those debts by bringing actions in Maryland State courts. HRD's principal business address is 9701 Apollo Drive, #293, Largo, Maryland 20792. Maryland State Department of Assessments and Taxation records reflect that the resident agent for service of process on HRD is, Jeremy S. Campbell at 9701 Apollo Drive, #293, Largo, Maryland 20792. Respondents have filed complaints in Maryland courts using mailing addresses: P.O. Box 756, Lanham, Maryland 20703; and P.O. Box 6535, Largo, Maryland 20790.

c. From April 25, 2007 through April 25, 2009, HRD was duly licensed as a Maryland collection agency pursuant to the MCALEA, holding license number 04-4716. The subject license was issued for the business address at 9801 Bald Hill Road, Bowie, Maryland 20721. HRD failed to renew its collection agency license since its expiration on April 25, 2009.

d. Since 2006, Respondents have brought hundreds of actions in Maryland State courts, seeking judgment on affidavit for consumer claims which were in default when acquired by Respondents. Specifically, the Agency's investigation revealed the following:

(1) Respondents have attempted to collect on consumer claims by filing at least 405 collection actions in State courts throughout Maryland from 2006 through March 25, 2013;

(2) Out of those 405 collection actions, approximately 261 were complaints filed on or after April 2009, the expiration date of Respondents' collection agency license;

(3) Approximately 144 of the collections complaints were filed by Respondents before April 2009, but while operating from an unlicensed location; and

(4) In the 405 collection actions, Respondents filed affidavits with the courts there were misleading, false, or deficient under Maryland Rule 3-306, and in violation of CL § 14-202(8).

UNLAWFULLY CONDUCTING BUSINESS AS A COLLECTION AGENCY IN MARYLAND WITHOUT BEING LICENSED BY THE AGENCY

11. Respondents knowingly collected and attempted to collect consumer debts from Maryland residents without first obtaining a license. Although HRD's license expired in April 2009, Respondents brought 261 collection actions in Maryland State courts after that date, (*see, e.g.*, complaints filed in Maryland district court case nos. 010100277032009 (filed August 26, 2009), 110200005782010 (filed January 28, 2010), and 060200002322013 (filed January 23, 2013)).

12. During the two-year period HRD was licensed, it was licensed to engage in collection activity only at 9801 Bald Hill Road, Bowie, Maryland 20721. However, during this period, HRD appears to have operated from address location 9701 Apollo Drive, #293, Largo, Maryland 20792, while listing its mailing address as PO Box 756, Lanham, Maryland 20703 on documents filed in court in connection with its collection-litigation activities. At no time did HRD utilize its licensed business address for its collection actions filed on or before April 2009. Pursuant to BR § 7-305, a licensee is authorized to do business as a

collection agency at only *one* place of business. A licensee who wants to operate as a collection agency from more than one location is required to obtain separate collection agency licenses for each additional location. Therefore, during the period that HRD was licensed, Respondents engaged in unlicensed collection activities by conducting business at an address or addresses for which it was not licensed. This applied to all 144 collections lawsuits which Respondents filed on or before April 2009.

13. By engaging in unlicensed collection activities in Maryland without being duly licensed by the Agency, Respondents engaged in unlicensed collection agency activities in violation of BR §7-401 of MCALA. Further, such unlicensed collection activities violated CL §14-202(8) of the MCDCA, as well as 15 U.S.C. §§1692e(2), (5), (10) and 1692f(1) of the FDCPA.

**KNOWINGLY FILING FALSE, MISLEADING, AND DEFICIENT
AFFIDAVITS AND SUPPORTING DOCUMENTS WITH REGARD
TO THE CONSUMER CLAIMS AT ISSUE.**

14. The Agency's investigation disclosed that the hundreds of actions brought by the Respondents in Maryland district courts requesting judgment on affidavit under Md. Rule 3-306 knowingly contained false, deceptive, or deficient complaints and supporting affidavits. The Respondents failed to submit affidavits that were actually based on the personal knowledge of the affiant, as required under Md. Rule 3-306 in order to obtain judgment on affidavit, and they failed to use the form required by Md. Rule 3-306 after the rule became effective, January 1, 2012. Specifically, the Agency's investigation revealed the following:

a. All complaints filed since 2006: In each of the 405 collections complaints that Respondents filed in Maryland courts since 2006, Respondents submitted

form affidavits in support of their complaints seeking judgment on affidavit under Md. Rule 3-306, each of which contained knowing violations of Maryland Rules of Procedure. Specifically, all of the affidavits submitted by Respondents during this time period stated that they were based on the “personal knowledge” of the affiant, as provided under Md. Rule 3-306. *See, e.g.*, the affidavit filed in Maryland district court case nos. 060200093142012 (filed May 29, 2012) and 060200002322013 (filed January 23, 2013). The Agency, however, determined that, for the reasons set forth below, there was no basis for the affiants’ claim of having personal knowledge about the liability of each individual consumer, about the terms of the agreements between the original creditors and consumers, or about the nature or amount of any alleged damages.

(1) In the cases where Respondents acquired consumer claims involving charged off credit card debt, they failed to demonstrate either their lawful ownership of the debt, or their standing to sue. The investigation disclosed that the Respondents only purchased a computer database from their predecessor in interest (which in many cases was not the original creditor, but a subsequent owner). Further, the only supporting document filed with the subject complaints and affidavits was a one-page printout from a database created by the original creditor. *See, e.g.*, Maryland district court case no. 060200002322013. In such cases, the Respondents did not acquire the original contracts applicable to each consumer; and they did not acquire credit card statements or other documentation evidencing actual use of credit by the consumers. Further, none of the assignment documents submitted by Respondents actually referenced the specific alleged consumer claim being sued upon. Moreover, none of the records were actually certified as business records by the original creditor. Respondents’ acceptance of a printout from a

database generated by a previous creditor, possibly in conjunction with incomplete assignment documents, did not provide a legitimate basis for an affiant to claim to have personal knowledge of the underlying consumer claim. At best such records may support a claim that an affidavit was made on “knowledge, information, and belief”; however, that standard is insufficient to obtain a judgment on affidavit under the Maryland Rules of Procedure.

(2) In the cases where Respondents acquired consumer claims other than credit cards, notably high interest consumer loans in default, previously owned by CashCall, Inc., the Respondents purchased uncertified and incomplete records. For example, in Maryland district court case no. 06020009314292010, none of the assignment documents submitted by Respondents actually include or refer to the alleged consumer claim being sued upon. Of record, there is no evidence that Respondents’ demonstrated ownership of the debt or their standing to sue. Further, these cases failed to include assignment documents from the original creditor, which was First Bank & Trust of Millbank, South Dakota, to CashCall, Inc.; instead, the chains of assignments always started with CashCall, which was the second owner of the debt. Therefore, the assignments demonstrating ownership are incomplete. Moreover, none of the records were actually certified as business records by the original creditor. Respondents’ review of such uncertified and incomplete records did not provide a legitimate basis for an affiant to claim to have personal knowledge of the underlying consumer claim. At best, such records might support a claim that an affidavit was made on “knowledge, information, and belief”; however, that standard is insufficient to obtain judgment on affidavit under the Maryland Rules of Procedure.

(3) Additionally, the subject assignments from the original creditors to the intervening owners, and then to the Respondents, expressly stated that they contained no representations or warranties of any kind with regard to the assigned consumer claims, except as set forth in various sales agreements (which were not provided). *See, e.g.*, the assignment documents attached to the complaint submitted in Maryland district court cases nos. 060100093142010 and 060200002322013. The Agency's experience is that such sales agreements completely lack any representations or warranties concerning the accuracy or authenticity of account documents and transferred databases --- a conclusion which is supported by Respondents' failure to include any such sales agreements with their complaints. Therefore, the Commissioner concludes that Respondents did not possess the requisite information for execution of affidavits based on "personal knowledge" as required under Md. Rule 3-306.

b. Actions filed between January 1, 2012 and the present: Respondents failed to utilize the affidavit form required by Md. Rule 3-306 in the 227 actions that they filed in Maryland State courts on or after January 1, 2012. Moreover, their affidavits failed to include any of the additional information or documents required by the Maryland Rules that went into effect on January 1, 2012, including, but not limited to the following:

(1) Respondents failed to provide certified or properly authenticated documents proving the existence of the debt or account, as required by Md. Rule 3-306(d)(1);

(2) Respondents failed to provide certified or properly authenticated documents proving the terms and conditions to which the debt was subject, as required by Md. Rule 3-306(d)(2);

(3) Respondents failed to provide certified or properly authenticated documents proving their ownership of the debt, with all bills of sale, or similar documents which are exchanged in the ordinary course of business, in an unbroken chain from the original creditor to the Plaintiff, including specific reference to the debt being sued upon, as required by Md. Rule 3-306(d)(3);

(4) Respondents failed to provide information pertaining to the identification and nature of the debt or account, as required by Md. Rule 3-306(d)(4);

(5) Respondents failed to provide account charge-off information, as required by Md. Rule 3-306(d)(6);

(6) Respondents failed to provide licensing information, as required by Md. Rule 3-306(d)(8).

15. By knowingly violating the Maryland Rules of Procedure and submitting deficient affidavits and documents with complaints that nonetheless requested judgment on affidavit, and by knowingly submitting false or misleading affidavits that were intended to deceive the courts and consumer defendants as to the quality of the affiants' knowledge about individual consumer claims, Respondents violated CL § 14-202(8) of the MCDCA. These activities also constituted violations of various provisions of the FDCPA, *i.e.*, false or misleading representations, in violation of 15 U.S.C. §1692e(2), (5), and (10); unfair and unconscionable means to collect or attempt to collect a debt, in violation of 15 U.S.C. §1692f.

KNOWINGLY REQUESTING, COLLECTING UNAUTHORIZED CONTRACT RATES OF INTEREST.

16. The Agency's investigation revealed that Respondents claimed and received the contract rate of interest on the consumer claims being sued upon since they began filing collection-related actions in 2006. However, Respondents failed to submit certified or otherwise properly authenticated copies of the terms or conditions of the original consumer debt, as required by Md. Rule 3-306(d)(2) (for complaints filed on or after January 1, 2012), or as required by Md. Rule 3-306(a) (for complaints filed prior to January 1, 2012). Such documents were omitted altogether in the context of credit card debt, or if included in the context of non-credit card consumer claims, were not properly certified or otherwise authenticated. As such, Respondents were not entitled to claim the contract rate of interest in any of their collection-related lawsuits.

17. By seeking and then collecting unauthorized contract rates of interest, Respondents violated CL § 14-202(8) of the MCDCA. These activities also constitute violations of various provisions of the FDCPA, *i.e.*, false or misleading representations, in violation of 15 U.S.C. §1692e(2), (5), and (10); unfair and unconscionable means to collect or attempt to collect a debt, in violation of 15 U.S.C. §1692f.

KNOWINGLY FILING FALSE OR MISLEADING AFFIDAVITS WITH REGARD TO THE CERTIFICATION OF BUSINESS RECORDS

18. Each of the affidavits which Respondents submitted with their complaints seeking judgment on affidavit had a dual purpose: to satisfy the affidavit requirement under Md. Rule 3-306, as discussed above; and to provide a certification of records of regularly conducted business activity pursuant to Md. Rule 5-902(b), thereby permitting the records to

be admitted under the “business records” hearsay exception set forth at Md. Rule 5-803(b)(6). The Agency’s investigation revealed that, since they began filing collection-related actions in 2006, the hundreds of actions brought by the Respondents in Maryland district courts contained false or misleading statements related to the affiant’s certification of the business records at issue. Such statements were intended to deceive both the courts and consumer defendants about the trustworthiness and authenticity of the applicable business records, and in fact resulted in numerous judgments being entered against Maryland consumers. The Agency’s investigation further revealed the following:

(a) All of the affidavits submitted by Respondents were signed by Campbell, individually, and contained a phrase representing that attached to the complaint were properly authenticated copies of the account records pertaining to the consumer claim at issue. However, none of the documents attached to any of the Respondents’ complaints were certified by anyone in substantially the form provided at Md. Rule 5-902(b)(2), much less were they properly certified by the original creditor (which would have been necessary to certify the accuracy of the consumer claims at issue in the present matter, as discussed below).

(b) Campbell was not qualified to testify about the creation and maintenance of the original creditor’s business records, nor was he qualified to testify about the original creditor’s business practices. As such, because the original creditor’s records were transferred without any representations or warranties, he could not have testified to establish the admissibility of the original creditor’s records under the Maryland Rules of Evidence. For the very same reasons, he was not qualified to certify the business records of the original creditor under Md. Rule 5-902(b). This same rationale also applies to printouts

from Respondents' own database which it would use as a substitute for the original creditor's business records. The information in Respondents' possession represented information derived from a database created by the original creditor, and which had been transferred to each subsequent owner of the debt in the form of electronic data files. In truth, Campbell did not have knowledge about the creation and maintenance of the original creditor's records, nor did he have any knowledge about when information related to specific consumer claims had been compiled and entered into the original creditor's records. Thus, Campbell did not qualify to testify to establish the admissibility of printouts from Respondents' own database under Md. Rule 5-902(b) that derived from a database of information created by the original creditor, especially when such information had been transferred to successive owners multiple times, without any representations or warranties of any kind.

(c) Despite the obvious deficiencies noted above, Campbell swore in the complaint that he filed on behalf of HRD that he had personal knowledge about the debt being sued upon, and that the records were properly certified. By knowingly violating the Maryland Rules of Procedure and submitting affidavits which contained misleading statements related to certification of the pertinent business records, Respondents violated CL § 14-202(8) of the MCDCA. These activities also violated various provisions of the FDCPA, *i.e.*, false or misleading representations, in violation of 15 U.S.C. §1692e(2), (5), and (10); unfair and unconscionable means to collect or attempt to collect a debt, in violation of 15 U.S.C. §1692f.

**INTENTIONALLY MISREPRESENTING THE AMOUNT OF THE
CONSUMER CLAIMS AND COLLECTING IMPERMISSABLE
COMPOUND INTEREST**

19. The Agency's investigation revealed that Respondents had claimed and received prejudgment or contract rates of interest on amounts that included, in part, compound interest which is prohibited under Maryland law. Respondents misrepresented the correct amount of principal and interest of the consumer claim in their complaints and supporting documents filed in Maryland State courts, including in their affidavits. Specifically, the Agency's investigation revealed:

(a) The amount that the Respondents stated or implied was the principal amount of each consumer claim actually consisted of the account balance at the time that it was charged off by the original creditor. This "charge-off" amount consisted not only of the principal amount of the alleged debt, but also interest, late fees, and any other charges that had been imposed by the original creditor (all of which constitutes "interest" under applicable law). Thus, after acquiring a consumer claim from the original creditor, or from any subsequent owners, Respondents filed suit in Maryland State courts, requesting, among other things, prejudgment interest or contract rates of interest on amounts over and above unpaid principal. However, Respondents' complaints falsely stated that they were requesting interest only on the "principal" amount.

(b) The Respondents knowingly misrepresented the "charge-off" amount as "principal", thereby deceiving both the courts and the consumer defendants. As a direct result of these misrepresentations, Respondents were awarded prejudgment or contract rates of interest in numerous cases on amounts that included, in part, compound interest.

20. By misrepresenting the nature and amount of the consumer claims, and by requesting and collecting impermissible compound interest, Respondents violated § 14-202(8) of the MCDCA. Further these activities also violated various provisions of the FDCPA, *i.e.*, false or misleading representations, in violation of 15 U.S.C. §1692e(2), (5), and (10); unfair and unconscionable means to collect or attempt to collect a debt, in violation of 15 U.S.C. §1692f.

NOW THEREFORE, having determined that Respondents waived their right to a hearing in this matter by failing to request a hearing within the time period specified in the Summary Order, and pursuant to FI § 2-115(a), and BR §7-309, it is by the Commissioner of Financial Regulation by and on behalf of the Agency hereby:

ORDERED that the Summary Order to Cease and Desist issued by Maryland State Collection Agency Licensing Board in the Office of the Commissioner of Finance Regulation, on March 27, 2013, is entered as a **FINAL ORDER** of the Agency.

FURTHER ORDERED that Respondents shall permanently **CEASE** and **DESIST** from engaging in any debt collection activities involving Maryland consumers.

FURTHER ORDERED that Respondents shall permanently **CEASE** and **DESIST** from engaging directly or indirectly in the business of collecting consumer debts or claims from Maryland residents, and from otherwise engaging in the collection agency business in the State of Maryland, including but not limited to ceasing all collection-related litigation activities in the courts in the State of Maryland.

FURTHER ORDERED that Respondents shall permanently **CEASE** and **DESIST** from violating the all aforementioned laws governing debt collection activities.

FURTHER ORDERED that the Respondents shall dismiss all open or pending collection lawsuits filed in courts in the State of Maryland.

FURTHER ORDERED that all provisions of this Final Order shall also apply to all named and unnamed owners, partners, members, officers, principals, directors, managers, employees, and agents of the Respondent business entities named above.

FURTHER ORDERED that, pursuant to FI §2-115(b) and taking into consideration the factors enumerated in FI §2-115(c), Respondents shall pay to the Agency a total civil money penalty in the amount of **Six Eighty Thousand, Four Hundred Dollars (\$680,400.00)**, as calculated below:

Prohibited Activity and Violation	Penalty per Violation	Number of Violations	Penalty
<i>Unlicensed Collection Activity in Violation of MCALEA</i>	\$ 1,000.00	261	\$ 261,000.00
<i>Collection Activity from or using Unlicensed Address</i>	\$ 100.00	144	\$ 14,400.00
<i>Violation of MCDCA 14-202(8) – false, misleading, deceptive affidavits filed in court actions and as otherwise described herein</i>	\$ 1,000.00	405 lawsuits	\$ 405,000.00
<i>Total</i>			\$ 680,400.00

FURTHER ORDERED that Respondents shall pay to the Commissioner, by cashier's or certified check made payable to the "Commissioner of Financial Regulation," the amount of \$ 680,400 within fifteen (15) days from the date of this Final Order.

FURTHER ORDERED that, for those judgments obtained when the Respondents were not licensed as a collection agency, Respondents shall pay full and complete restitution to any and all consumers/defendants against whom Respondents obtained judgments and collected on the judgments. The Respondents shall make restitution by mailing payment to the consumer/defendant, by U.S. First Class Mail, postage prepaid, to the most recent address of the consumer/defendant. If mailing is returned as non-deliverable, the Respondents shall promptly notify the Commissioner for further instruction as to the means of making payment. Upon making payments, the Respondents shall promptly furnish the Commissioner with proof of the payments, by sending the Commissioner the front and the back of the cancelled check for each payment of restitution made.

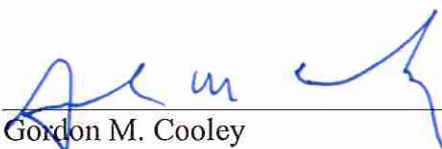
FURTHER ORDERED that Respondents shall be and are jointly and severally liable for any and all civil penalties and restitution ordered herein.

FURTHER ORDERED that Respondents shall send all correspondence, notices, civil penalties and other required submissions to the Commissioner at the following address: Commissioner of Financial Regulation, 500 North Calvert Street, Suite 402, Baltimore, Maryland 21202, Attn: Proceedings Administrator.

FURTHER ORDERED that, notwithstanding the imposition of the civil penalties herein, the Commissioner reserves the right to refer any and all of these violations for criminal prosecution pursuant to BR § 7-401.

MARYLAND COLLECTION AGENCY
LICENSING BOARD IN THE OFFICE OF
THE COMMISSIONER OF FINANCIAL
REGULATION

2/4/15
Date

By: 
Gordon M. Cooley
Acting Commissioner of Financial Regulation
Chairperson, Collection Agency Licensing
Board