



**COLLECTION SERVICE BOARD
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243
615-741-3600**

**Board Meeting Minutes for September 14, 2016
First Floor Conference Room 1-B
Davy Crockett Tower**

The Tennessee Collection Service Board met on September 14, 2016, in the first floor conference room of Davy Crockett Tower in Nashville, Tennessee. Ms. Trinkler called the meeting to order at 9:33 a.m. and the following business was transacted:

BOARD MEMBERS PRESENT: Elizabeth Trinkler, Steven Harb, Angela Hoover.

BOARD MEMBERS ABSENT: Bart Howard, Chip Hellmann.

STAFF MEMBERS PRESENT: Roxana Gumucio, Sarah Mathews, Aisha Carney.

ROLL CALL/NOTICE OF MEETING

Director Gumucio read notice of the meeting into the record, as follows: "Notice of the September 14, 2016 meeting of the Collection Service Board posted to the Collection Service Board website on September, 8 2016."

AGENDA

Ms. Hoover motioned to adopt the agenda as written. This was seconded by Mr. Harb. The motion carried by unanimous roll call vote.

MINUTES

Ms. Hoover made a motion to adopt the minutes from the July 13, 2016 meeting as written. Mr. Harb seconded. The motion was carried by unanimous roll call vote.

DIRECTORS REPORT

Director Gumucio presented the budget information for 2015 and 2016 fiscal year (the final numbers won't be completed until December meeting), the year-to-date expenditure and revenue. Director Gumucio stated that from July 2016 moving forward the Finance Department will be doing accountability and breakdown of cost-backs a little differently. There were no legislative updates to report.

LEGAL REPORT

1. 2016008911

Status: Active
First Licensed: 06/05/1997
License Expiration: 12/31/2016
Disciplinary History: 2009005661

This is a re-presentment from the May and July 2016 Meetings:

May 2016 - This complaint was filed by consumer and alleged unlawful debt and Respondent is not licensed in Tennessee. The Complainant alleges that they have not requested any service from the original creditor, nor do they utilize the original creditor's services. The amount involved is \$459.12.

Respondent did not respond to the complaint allegation. Counsel has proof the complaint was delivered to the Respondent.

May Recommendation: *Counsel recommends the authorization of a **civil penalty in the total amount of Seven Hundred Fifty Dollars (\$750.00)**, which represents Five Hundred Dollars (\$500) for unlicensed conduct, which is in violation of **T.C.A 62-20-105(a) & T.C.A. 62-20-115(b)(5)** and Two Hundred Fifty Dollars (\$250) for failure to respond to the complaint, which is a violation of **T.C.A. 62-20-115(a)(3) & T.C.A. 62-20-115(b)(5)** to be satisfied within thirty (30) days of execution of the Consent Order. Such Consent Order is to contain Cease and Desist language applicable to the Respondent and any agents working on its behalf prohibiting the Respondent and its agents from collecting debts in Tennessee until and unless appropriate licensure is obtained. Such terms are to be settled by Consent Order or Formal Hearing.*

May Decision: The Board voted to accept the recommendation of legal counsel.

July 2016 - It was noticed after the May 2016 meeting that the Respondent was unlicensed in Tennessee and therefore, in accordance with T.C.A. § 62-20-115(a)(3), only a licensee can be assessed a civil penalty for the failure to respond to a complaint. T.C.A § 62-20-115(a)(3) states in pertinent part, "The licensee shall, within twenty (20) days, file with the board the licensee's sworn answer to the complaint."

July Recommendation: *Counsel recommends the authorization of a **civil penalty in the total amount of Five Hundred Dollars (\$500.00)** for unlicensed conduct, which is in violation of **T.C.A § 62-20-105(a) & T.C.A. § 62-20-115(b)(5)** to be satisfied within thirty (30) days of execution of the Consent Order. Such Consent Order is to contain Cease and Desist language applicable to the Respondent and any agents working on its behalf prohibiting the Respondent and its agents from collecting debts in Tennessee until and unless appropriate licensure is obtained. Such terms are to be settled by Consent Order or Formal Hearing.*

July Decision: The Board voted to accept the recommendation of legal counsel.

July 28, 2016 - New information:

Counsel for the Respondent called my office and informed me that his client had a collection service license with the Board and provided me the license number. I confirmed that Respondent is actively licensed in Tennessee and was listed with as a DBA, therefore when searching for the Respondent in CORE, no results were returned in error.

Additionally, the Respondent did submit a response to the complaint dated March 11, but it was never received by the legal department. In response the Respondent stated that as part of their internal investigation the Respondent sent their client a request to obtain an itemized bill in an effort to validate the total charged placed with the Respondent. Respondent also requested that the credit bureaus delete the information that was submitted to them and placed the Complainant's account in a temporary status to cease communication until information is received. Respondent also stated in their response that they are licensed by the Tennessee Collection Service Board.

New Recommendation: After reviewing all of the new information, Counsel recommends this matter be **dismissed**.

Decision: The Board voted to accept the recommendation of legal counsel.

2. 2016030391

Status:	Active
First Licensed:	7/31/2015
License Expiration:	7/30/2017
Disciplinary History:	201601451 Consent Order with \$200 civil penalty

This complaint was filed by a consumer and alleged that the Respondent didn't comply with applicable state or federal laws pertaining to the credit and collection industry. Complainant alleges that Respondent called in late February 2016, at that time the Complainant asked for a court date. On March 9, 2016, Complainant sent a certified letter to the Respondent requesting that the Respondent no longer call him or his wife at their place of employment and that any communication deemed necessary should be mailed to the address provided. On April 22, 2016, Complainant received a letter from Respondent, attempting to collect payment. Complainant alleges that he never received an itemized bill from the Respondent and on April 30, 2016 he received an alert from a credit report company that the account had been placed in collections in March 2016.

Respondent stated the following in response to the complaint:

- March 1, 2016 – Complainant's account was placed with Respondent for collection by an apartment complex.
- March 2, 2016 – The disclaimer notice, as required by federal law, was sent to the Complainant.
- March 3, 2016 – Complainant called the Respondent and provided his new address. During this call he was advised of the balance, after being placed on hold for a while, the Respondent's employee hung up. Complainant called back and stated that he was not happy with the amount referred, he felt the amount was incorrect and stated that he was willing to take this as far as it needs to go if the Respondent would not agree to settle both accounts for \$500. Respondent's employee stated she could not accept a settlement that low without getting approval and at this point the employee's supervisor took over the call and explained the same thing.
- March 18, 2016 – Respondent received a letter from the Complainant requesting that Respondent not call either he or his wife at their place of employment and any communication deemed necessary should be sent to their mailing address.
- March 18, 2016 – An affidavit for approval to sue was prepared and mailed it to the original creditor. The account was moved out of the Respondent's queue to ensure that no other work was done on the account until the affidavit for approval to sue was received from original creditor.
- April 22, 2016 – A letter was sent to the Complainant advising him that the original creditor had authorized Respondent to settle the account for 50% of the balance owed.

- May 19, 2016 – Respondent received a letter from their attorney in which he addressed all of the issues that the Complainant’s listed in the complaint.
- Since the complaint was filed the Complainant’s account was settled and closed with the Respondent.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations by the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

3. 2016030621

Status: Active.
 First Licensed: 12/13/2013
 License Expiration: 12/12/2017
 Disciplinary History: None.

This complaint was filed by a consumer alleging erroneous billing. Complainant alleged the following events:

- January 15, 2016 – Service technician from cable/phone company (“Company”) arrived at the Complainant’s residence to establish internet service. At the request of the Complainant, technician performed a test to determine the actual speed of internet and discovered that it was slower than initially promised by Company when Complainant placed his order. As a result, Complainant decided not to get the service from the Company. Complainant states that technician did not initiate service or leave any equipment at residence.
- February 18, 2016 – First bill received from the Company.
- February 25, 2016 – Second bill received from the Company.
- March 3, 2016 – Complainant spoke with a representative of the Company, who stated that he made a note on Complainant’s account that he had called to dispute the charges. Representative stated that the Company payed this amount with Complainant’s knowledge and as a result Complainant owes the Company this amount.
- March 28, 2016 – Received a delinquent account letter from Respondent.
- Complainant states that he does not owe the Company \$106.25 because the internet service was never established with the Company.

Respondent stated that on March 25, 2016 the Complainant’s account was placed with Respondent for collection of \$106.25. On March 29, 2016, an initial collection notice was mailed to the Respondent. On May 25, 2016, the Company notified Respondent of a balance adjustment and that the balance was zero. Respondent updated its records to reflect the zero balance and the account has been closed. Respondent will conduct no further collection activity regarding this matter.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations by the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

4. 2016031941

Status: Active.
First Licensed: 06/02/2005
License Expiration: 12/31/2016
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent failed to comply with state or federal law. Complainant alleged that he received a collection letter from the Respondent which did not indicate that the Respondent is a licensed collection agency in Tennessee. After receiving the letter, Complainant stated that he attempted to verify the Respondent on our website and could not find the Respondent's license. Additionally, Complainant alleges that the Respondent seeks to recover a debt that is not valid, for which no service contract exists, and includes amounts not recoverable by contract or statute.

Respondent did not provide a response to the complaint.

Counsel researched the matter and determined that the Respondent does have an active license in Tennessee. I ran a search on verify (our website), confirmed the Respondent was licensed and found the Respondent's license number. Additionally, Respondent used the language as required under T.C.A. § 62-20-111(b) in its letter to the Complainant.

Recommendation: Counsel recommends the authorization of a **civil penalty in the amount of Two Hundred Fifty Dollars (\$250)** for failure to respond to the complaint, which is a violation of **T.C.A. 62-20-115(a)(3) & T.C.A. 62-20-115(b)(5)**.

Decision: The Board voted to accept the recommendation of legal counsel.

5. 2016032811

Status: Unlicensed.
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent is trying to collect a debt from 2008 and it is not a legal claim. Complainant alleges that on May 19, 2016, she received a call from the Respondent explaining that Respondent was sending out someone to "serve papers" and provided Complainant with a number to call to receive additional information. Complainant called the number and was told that a bank had filed a lawsuit in 2008 and had ten (10) years to collect. Respondent stated they sent a registered letter to a P.O. Box, Complainant hasn't used since 2007, offering to accept \$1,600.00 to settle out of court or Complainant could counteroffer. Complainant stated that she could not afford to pay the debt. At this time, Respondent told her if she didn't pay the debt, she would be served with papers to appear before a judge and have the court settle the amount to be paid.

Respondent stated they believe this complaint was misdirected. Respondent reviewed this matter and did not locate any record of the Complainant. Additionally, Respondent stated that these activities described by Complainant are generally not performed by the Respondent.

Counsel researched this matter after receiving the Respondent's response and agrees that it was sent to the wrong Respondent. Counsel believes this is another scam. After a little research, it appears there are

multiple complaints online about someone calling with a reference/case number and asking them to call a specific number (which is the same number the Complainant provided) to get more details. Counsel attempted calling the number provided and it stated that this number is not currently set up to receive calls.

Recommendation: As stated above, Counsel believes this is the incorrect Respondent and therefore Counsel recommends this matter be **dismissed**.

Decision: The Board voted to accept the recommendation of legal counsel.

6. 2016034031

Status: Active.
First Licensed: 01/09/2014
License Expiration: 01/08/2018
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent didn't provide proof of debt. Complainant states that they are not sure they owe the debt and believe it was paid off. Complainant requested proof of this debt from Respondent and has not received any response.

Respondent stated that it purchased the debt from the creditor in March 2016. The creditor notified the Complainant in April 2016 that it had sold the account to Respondent with the balance due of \$2,065.18. On April 12, 2016, Respondent received a call from Complainant's spouse disputing the account as having been settled. Respondent received Complainant's dispute and request for validation dated April 14, 2016. In a letter dated April 28, 2016, Respondent responded to the Complainant establishing the validity of the debt and providing all documentation requested. Respondent has received additional dispute and request for validation letters from the Complainant to which it has responded by stating the dispute has been reviewed and it is substantially the same as the previous disputes, due to no new facts the Respondent will not conduct another investigation.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

7. 2016034961

Status: Active.
First Licensed: 07/27/2006
License Expiration: 07/26/2018
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent was collecting a debt even after the Complainant has filed bankruptcy and the loan was disallowed by the bankruptcy trustee. Complainant alleges that she received a letter from Respondent stating that she owed \$8,843.65. Complainant stated she tried to contact the number provided on the bill, but it was not a good number. Complainant believes this is a loan that she cosigned for her brother over twenty (20) years ago.

Complainant has filed bankruptcy and included the loan in the bankruptcy, however the company failed to confirm the debt and the loan was disallowed by the bankruptcy trustee.

Respondent stated their client is the guarantor of student loans for which the Complainant co-signed and were placed with the Respondent's office for collection. Respondent sent the Complainant verification of the loans on July 19, 2016. Respondent additionally stated that when Complainant was unable to reach the Respondent's office it was due to a technical issue with the telephone company and was resolved in about 48 hours.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

8. 2016035011

Status: Active.
First Licensed: 07/10/2009
License Expiration: 07/09/2017
Disciplinary History: 2011006881 Closed – Letter of Warning

2016035012

Status: Active.
First Licensed: 04/07/2011
License Expiration: 04/06/2017
Disciplinary History: 2012005861 Closed – Cease & Desist Letter

This complaint was opened by the administrative staff of the Tennessee Collection Service Board for possible violations of T.C.A. § 62-20-115(b)(5).

A class action lawsuit was filed against the Respondent and has reached a settlement. The plaintiff's in that suit allege that without their consent or after they revoked consent, the Respondent made collection calls to their cell phones using an automated telephone dialing system or an artificial or prerecorded voice. Due to the settlement, the Respondent is required to implement changes in its policies and procedures which are intended to prevent unauthorized calls to be made to cell phones.

Recommendation: After review of the facts, Counsel does not believe we have sufficient evidence of a violation on behalf of the Respondent. Therefore, Counsel recommends this matter be **dismissed**.

Decision: The Board voted to accept the recommendation of legal counsel.

9. 2016038191

Status: Unlicensed.
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent attempted to collect a disputed debt. Complainant alleged he spoke with a representative of Respondent regarding his attorney being

his power of attorney as to the account. Complainant requested via a handwritten note that he would like his attorney to receive all mail from Respondent and not to send any additional documents to Complainant. Complainant spoke with Respondent's representative on April 13, 2016 and alleges that she stated several times that she had not received documents from Complainant by fax. Complainant's attorney sent a letter to Respondent on May 22, 2016 to request forgiveness of the debt and asked that further inquiries be directed to the attorney himself.

Respondent stated in response that they understand the following to be Complainant's concerns, also included is Respondent's responses to the concerns.

- (1) Complainant request that his attorney be listed as an authorized power of attorney on his account.
 - *The request was submitted via a handwritten statement and pursuant to Arkansas (Complainant's place of residence) code this handwritten statement will not suffice. Respondent states they were unable to accept his handwritten notice and they responded to Complainant on June 24, 2016, advising that they were unable to accept it.*
- (2) Complainant believes he should have no further obligation to repay his loans and that they should be discharged, as Complainant is not currently able to work full time.
 - *Respondent states the Complainant can review the available loan forgiveness, cancellation and discharge options online. If the Complainant is deemed totally and permanently disabled, he can follow those guidelines to receive the discharge. Currently the account is past due in the amount of \$766.16.*
- (3) Complainant states he has faxed documents to Respondent for which he received fax confirmation(s), and is upset that Respondent does not show receipt of these documents.
 - *Respondent documented the dates they received documents from the Complainant and how they responded to those documents.*

Counsel would like to note that the Respondent is located in Tennessee and its letter to Complainant stated at the bottom that "this is an attempt to collect on a debt." Upon review of the State's records the Respondent is not a licensed collection agency with the Board.

Recommendation: Counsel recommends the authorization of a **civil penalty in the amount of One Thousand Dollars (\$1,000)** for unlicensed activity, which is a violation of **T.C.A. 62-20-105(a) & T.C.A. § 62-20-115(b)(5)** to be satisfied within thirty (30) days of execution of the Consent Order. Such Consent Order is to contain Cease and Desist language applicable to the Respondent and any agents working on its behalf prohibiting the Respondent and its agents from collecting debts in Tennessee until and unless appropriate licensure is obtained. Such terms are to be settled by Consent Order or Formal Hearing.

Decision: The Board voted to accept the recommendation of legal counsel.

10. 2016038651

Status:	Active.
First Licensed:	11/13/1997
License Expiration:	12/31/2016
Disciplinary History:	2005027831 Closed with Consent Order
2006001641	Closed with Consent Order
2006005221	Letter of Warning
2011026141	Letter of Warning

This complaint was filed by a consumer and alleged that the Respondent is attempting to collect a debt the Complainant does not owe. Complainant alleges that he has supplied the Respondent with documents as to why he does not owe the indicated amount. Complainant alleges that when Respondent acquired the records from his physician it noted a -\$30.00. Complainant requested the Respondent pay him the \$30.00 he was owed, but stated instead the Respondent sent him a notice for additional money owed. Complainant received a letter on June 15, 2016 stating that he owed \$166.89.

Respondent stated that on March 20, 2014, the client placed three (3) accounts with Respondent for collections and all three accounts listed Complainant as the patient. Within five (5) days of receiving those accounts, an initial notice was mailed to Complainant detailing validation rights. On May 18, 2016, Complainant sent an invoice to the Respondent showing a zero balance, at which time Respondent placed the account in disputed statute and requested additional documents from their client. On May 25, 2016, Respondent received a response from their client indicating that \$166.89 was still due and this information was forwarded to Complainant on June 9, 2016. On June 14, 2016, Respondent sent a request to the credit bureaus to have this account removed from Complainant's credit file and on June 15, 2016 closed the account. After receiving and reviewing the Complainant's complaint, Respondent returned the account to their client and performed a manual deletion from Complainant's credit report. Respondent will not proceed with collection activity on this account.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

11. 2016041921

Status:	Active.
First Licensed:	3/14/2006
License Expiration:	3/13/2017
Disciplinary History:	2006012401 Letter of Warning

This complaint was filed by a consumer and alleged that the Respondent failed to comply with applicable state or federal laws. Complainant alleged that in December 2015 the Respondent contacted her and stated that Complainant owed \$94.00 for an unpaid medical bill. Respondent contacted Complainant daily for the remainder of December and all of January 2016, the calls began to slow down but did not stop until February. Complainant states the original bill of \$40 was settled with the medical provider on January 15, 2016 and Respondent was informed that the bill was settled and Complainant asked the Respondent to stop contacting them. On January 25, 2016, the Complainant sent a certified letter to the Respondent stated that this letter is not a refusal to pay, but a notice that your claim is disputed and validation is requested. This letter was received by Respondent on February 7, 2016 and Complainant alleges they have not provided any of the information requested in the letter and Respondent continues to call from multiple different numbers and harass them.

Respondent states that Complainant's account was placed with Respondent on December 14, 2015. A collection letter was mailed to the Complainant on December 15, 2015, as well as a phone conversation with Complainant's wife that day. Respondent states they spoke with the Complainant on several

occasions in January 2016 and received a letter from the Complainant requesting "validation" of the debt. Respondent states that this request came more than thirty (30) days after Complainant had received Respondent's initial collection letter and therefore Respondent was under no obligation to respond. Respondent states that Complainant's account has been cancelled due to his direct payment to the medical provider.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

12. 2016042431

Status:	Active.
First Licensed:	07/10/2009
License Expiration:	07/09/2017
Disciplinary History:	None.

This complaint was filed by a consumer and alleged that the Respondent refused to give a copy of the bill to Complainant. Complainant's daughter went to a doctor in May 2015 and received a bill from the Respondent in December 2015, which Complainant believed was in error as she never received a bill directly from the doctor's office. Complainant spoke with the doctor's office and was told not to pay the bill and to wait to hear back from them. On January 8, 2016, Complainant followed up with the doctor's office and was told that no decision had been made on whether they would be able to recall the bill from the Respondent. Complainant followed up again on April 8, 2016 and was told by the doctor's office that the charge no longer existed. Complainant states that a refund of \$25 was applied to this bill by the doctor's office via telephone and Complainant was told a bill for the remaining balance of \$47.72 would be sent her. On June 8, 2016, Complainant received a phone call from Respondent about a bill sent to them for collection from the doctor's office on May 7, 2015 and Complainant explained what happened. Complainant states that the Respondent's caller tried to get her to pay the bill over the phone for a fee, but the Complainant did not pay the bill via phone. Therefore the caller stated he would send another bill to the Complainant's home address. As of June 24, 2016, the Complainant had not yet received a bill from the Respondent and she decided to call the Respondent. Complainant explained that she had not yet received a copy of the bill and was unwilling to pay the bill over the phone. Respondent's caller suggested that Complainant email his supervisor and ask for an electronic copy of the bill. Later that day the Complainant received the bill via email and submitted a check by mail on June 27, 2016. On June 30, 2016 the Complainant received a bill from the Respondent dated June 24, 2016.

Respondent stated that the account was placed in their office on May 10, 2016 with a date of service of May 7, 2015. Respondent mailed out their validation letter on May 11, 2016 to the Complainant's address. Complainant was contacted by the Respondent on June 8, 2016, at which time the Complainant explained she had not received a letter from Respondent and thought the account was on hold with the doctor's office. The Respondent's caller verified the address and requested another letter be sent to the Complainant, which shows a mail date of June 9, 2016 in the Respondent's system. When Complainant called on June 24, 2016, the caller offered the email address for his manager, who then forwarded Complainant the documentation. Respondent states the fee the Complainant refers to is a convenience fee for processing payments electronically and it is not required that a person pay by phone.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

13. 2016042941

Status: Active.
First Licensed: 05/02/2014
License Expiration: 05/01/2018
Disciplinary History: None.

This complaint was filed by a law firm and alleged that the Respondent was conducting collection activities that were contrary to federal law. Complainant alleges in a 'Petition to Revoke License' that the Respondent is licensed in Tennessee and has conducted collection activities in Tennessee. Respondent's collection activities were contrary to federal law and resulted in a judgment rendered against the Respondent.

Respondent stated that the Complainant filed his case in December 2015 against the Respondent. According to Court records, the Complainant provided a certificate of service that Respondent's registered agent was served with the lawsuit via FedEx. Respondent said it was not made aware of this lawsuit by its registered agent and therefore never filed an Answer or responded in any way to the suit. Complainant received a default judgment against the Respondent. Respondent states that Complainant alleged that Respondent performed actions that were "contrary to federal law," however, Respondent stated the Complainant's allegations are misplaced. The merits of the allegations were never debated in Court. Respondent stated that in an attempt to work with the Complainant, Respondent will cease collection activity on any individual account and place the Complainant's account in "cease & desist" status.

Counsel reached out to the Complainant via email in an attempt to obtain additional details as to what the Respondent did that constituted "collection activities that were contrary to federal law" as the complaint alleged. Complainant stated in an email that the Respondent made numerous calls to collect a debt which was not owed. Counsel asked if that debt was disputed in writing, to which the Complainant stated, "They called. I advised. They called again, etc."

Recommendation: After review of the facts, Counsel does not believe we have sufficient evidence of a violation on behalf of the Respondent. Therefore, Counsel recommends this matter be **dismissed**.

Decision: The Board voted to accept the recommendation of legal counsel.

14. 2016043091

Status: Active.
First Licensed: 4/7/2004
License Expiration: 12/31/2016
Disciplinary History: None.

This complaint was filed by a consumer and alleged fraudulent account that Complainant never authorized. Complainant alleges that the Respondent is reporting a fraudulent account on the Complainant's credit file. Complainant sent a notarized FTC identity theft victim's complaint and affidavit to the Respondent in April 2016.

Respondent stated that the following events occurred:

- March 12, 2016 - Respondent received a request from Complainant for debt validation
- March 16, 2016 - A letter was sent to Complainant providing the debt validation and included a copy of the information used for the card application.
- May 2, 2016 - Respondent sent the Complainant a letter setting out the requirements needed in order to verify a fraudulent account, which included the following:
 - Completed notarized Identity Theft Affidavit/Fraud Account Statement,
 - Copy of driver's license,
 - Copy of Social Security Card,
 - Proof of Address from June 2015, and
 - Copy of the Police Report listing the account
- May 3, 2016 - Respondent received a fax from the Complainant indicating that Respondent was not to contact him and included the following documents (1) Identity Theft Affidavit, (2) copy of Complainant's state ID and (3) Social Security Card. Respondent states that the ID and SS card were not legible and the other documents were not included.
 - Legible copies of these two (2) documents were received on July 25, 2016.
- May 4, 2016 & August 10, 2016- Complainant called and spoke with Respondent. Each time the Complainant was educated on the Respondent's fraud process and advised that documents were still needed in order to continue.

At this time, Respondent states it is willing to update the credit bureaus once the necessary documents have been received from the Complainant to complete their fraud investigation.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

15. 2016047741

Status:	Active.
First Licensed:	3/14/2006
License Expiration:	3/13/2017
Disciplinary History:	2006012401 Letter of Warning

This complaint was filed by a consumer and alleged that the Respondent failed to comply with applicable state or federal law. Complainant alleges the following:

- May 2, 2016 - First contact regarding the collection matter via telephone
- May 4, 2016 - Correspondence was received and disputed. Complainant submitted a certified letter addressed to the Respondent. In the letter Complainant stated that she did not owe the monies in question (all monies were paid to the doctor by her and her insurance company) and requested a full investigation and any and all documents relating to this matter, which she never

received. The letter also stated that all communication and correspondence should be directed to Complainant's home address.

- Complainant received a second letter from Respondent which stated they had reported negative information to one or more national credit bureaus.
- July 5, 2016 – Complainant received a third letter, which stated that once the payment was received, they would instruct the credit bureaus to update any negative credit reporting.

Respondent stated that on May 9, 2016 Respondent received Complainant's dispute and placed her account on hold pending further information from their client, the original creditor. On July 25, 2016, Complainant paid the debt and on August 1, 2016 Respondent requested that the credit bureaus to which they had reported the debt delete the tradeline associated with Complainant's account. Respondent states a letter confirming the payment and request to the credit bureaus has been mailed to Complainant.

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

16. 2016046101

Status:	Active.
First Licensed:	11/13/1997
License Expiration:	12/31/2016
Disciplinary History:	2005027831 Closed with Consent Order
2006001641	Closed with Consent Order
2006005221	Letter of Warning
	2011026141 Letter of Warning
	2015017281 Letter of Warning

This complaint was filed by a consumer and alleged that the Respondent didn't fix the credit report even after the debt was paid in full. Complainant alleges that on July 5, 2016, he paid his debt in full by electronic check and the payment was processed immediately. Complainant asked Respondent to send him a letter stating that the debt had been paid in full and Respondent told him that the letter would go out within a week. Complainant states he called the Respondent on July 13, 2016 to inquire about the letter and he was told the Respondent's policy was to wait fifteen (15) days after the check has been received before sending a letter confirming payment, therefore it would be July 20, 2016 before a letter was sent.

Respondent stated that the Complainant's account was placed with their office on June 26, 2015 for collections in the amount of \$936.00. On June 6, 2016, Complainant called and initiated payment toward the balance owed and on

Recommendation: Counsel recommends this matter be **dismissed**, due to no violations on behalf of the Respondent.

Decision: The Board voted to accept the recommendation of legal counsel.

17. 2016043131

Status: Unlicensed
Disciplinary History: None.

This complaint was filed by a consumer and alleged that the Respondent is attempting to collect a debt that is not owed. Complainant alleges that his grandfather passed away in February 2016. About a month after his death, the Respondent sent a letter threatening to sue if he did not pay a "settlement" of \$855.51, originally due March 29, 2016. Complainant received a second and identical letter on June 21, 2016. Complainant alleges that the settlement is for a lease, which in actuality, never existed and the entire thing was fabricated upon learning of this grandfather's death in an attempt to export his family and grandfather's estate.

Respondent stated that they recently acquired all the rights, title interest to certain commercial equipment finance lease agreements and personal guarantees from the original creditor and the purchase included a commercial equipment finance lease held by the Complainant's grandfather. Respondent states it sent notification letters and conducted a series of telephone campaigns in an attempt to contact the Complainant's grandfather to collect monies owed. Respondent has not received proof that the debtor (grandfather) is deceased. Respondent states that pursuant to the terms of the lease agreement, on and after the inception of the lease agreement, it does not provide for unilateral termination by Complainant, and expressly sets forth the absolute and unconditional obligation to make all payments due under the lease agreement.

Recommendation: Counsel recommends the authorization of a **civil penalty in the amount of One Thousand Dollars (\$1,000)** for unlicensed activity, which is a violation of **T.C.A. 62-20-105(a) & T.C.A. § 62-20-115(b)(5)** to be satisfied within thirty (30) days of execution of the Consent Order. Such Consent Order is to contain Cease and Desist language applicable to the Respondent and any agents working on its behalf prohibiting the Respondent and its agents from collecting debts in Tennessee until and unless appropriate licensure is obtained. Such terms are to be settled by Consent Order or Formal Hearing.

Decision: The Board voted to accept the recommendation of legal counsel.

NEW BUSINESS

Legal counsel proposed that the renewal applications be shortened and provided updated renewal forms to the Commission. After careful review, Mr. Harb made a motion to adopt the updated renewal forms. Ms. Hoover seconded. The motion was carried by unanimous roll call vote.

ADJOURNMENT

There being no other new business, Ms. Trinkler made a motion to adjourn. Ms. Hoover seconded. The motion was carried by unanimous roll call vote. Ms. Trinkler adjourned the meeting at 10:13 a.m.