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**IN THE MATTER OF:** \*  
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**DIVERSIFIED** \*  
**CONSULTANTS, INC.** \*  
**NMLS # 938331** \*  
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**(“Respondent”)** \*  
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**NOTICE OF AUTOMATIC SUSPENSION**  
**NOTICE OF INTENT TO REVOKE**  
**CONSUMER COLLECTION**  
**AGENCY LICENSE**  
**NOTICE OF INTENT TO ISSUE**  
**ORDER TO CEASE AND DESIST**  
**NOTICE OF INTENT TO IMPOSE**  
**CIVIL PENALTY**  
**AND**  
**NOTICE OF RIGHT TO HEARING**

**I. PRELIMINARY STATEMENT**

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, “Consumer Collection Agencies”, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”).
2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking, has investigated and examined the activities of Respondent to determine if it has violated, is violating or is about to violate the provisions of the Connecticut General Statutes or Regulations within the jurisdiction of the Commissioner (“Examination”).
3. As a result of the Examination, the Commissioner has reason to believe that Respondent has violated Sections 36a-17(e), 36a-65(c)(6), 36a-801(f), 36a-805(a)(12) and 36a-811(b) of the Connecticut General Statutes.

4. As a result of the Examination, the violations alleged by the Commissioner constitute sufficient grounds to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a) and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

5. As a result of the Examination, the Commissioner has reason to believe that a basis exists to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes.

6. As a result of the Examination, the Commissioner has reason to believe that a basis exists to impose a civil penalty against Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

7. Section 36a-802(a) of the Connecticut General Statutes requires that a consumer collection agency licensee maintain a bond that runs concurrently with the period of the license.

8. The Commissioner has reason to believe that as of August 12, 2020, Respondent failed to have a bond in place as required by Section 36a-802(a) of the Connecticut General Statutes. As a result, the Commissioner finds that sufficient grounds exist for the automatic suspension of Respondent's consumer collection agency license in Connecticut effective August 12, 2020, and to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a) and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

9. On January 1, 2021, Respondent's consumer collection agency license in Connecticut expired. Pursuant to Section 36a-51(c)(2) of the Connecticut General Statutes, the Commissioner is authorized to initiate a revocation proceeding within one year from the expiration date of its license.

## **II. MATTERS ASSERTED**

10. Respondent is a Florida corporation with a main office at 10550 Deerwood Park Blvd, Suite 309, Jacksonville, Florida ("Main Office"). At all times relevant hereto, Respondent was licensed by the Commissioner through the Nationwide Multistate Licensing System and Registry ("NMLS") to act as a consumer collection agency in Connecticut, until its license expired on January 1, 2021.

11. On August 2, 2019, the Division commenced an examination of Respondent's consumer collection activities for the period from July 1, 2018 to June 30, 2019.

12. On August 14, 2020, the Division issued a Report of Examination, along with an invoice for examination fees and a letter providing Respondent an opportunity to show compliance with legal requirements for the retention of its consumer collection agency in Connecticut pursuant to Section 4-182(c) of the Connecticut General Statutes. Respondent failed to respond to such letter and failed to pay the outstanding examination fees.

13. During the Examination, the Division reviewed audited financial statements for the years ending December 31, 2017 and December 31, 2018. Such financial statements failed to demonstrate that Respondent maintained the \$50,000 net worth required by Section 36a-801(f)(3) of the Connecticut General Statutes, in effect at such time.

14. On April 17, 2020, Respondent filed for bankruptcy in the United States Bankruptcy Court for the Middle District of Florida.

15. At no time relevant hereto did Respondent notify the Department that its net worth had fallen below the statutory required minimum amount or that it had filed for bankruptcy.

16. At all times relevant hereto, Respondent utilized an out-of-state bank, which did not maintain a branch in this state, as the custodian of its trust account of Connecticut debtor monies.

17. The Examination also revealed that a collection fee of 18% was being added to certain consumer collection account balances in Connecticut.

18. On January 3, 2020, the Division requested additional information concerning Respondent's net worth, trust account, receivables and accounts payable. Follow-up e-mails requesting such information were sent on January 17, 2020 and February 6, 2020. On February 6, 2020, Respondent provided additional information concerning its net worth, but failed to provide all of the requested information. The Division reiterated its information request on February 13, 2020, but no response has been received to date.

### **Bond Cancellation**

19. On July 8, 2020, the Commissioner received notice from the Travelers Casualty and Surety Company of America that surety bond number 775204448 CT, issued on behalf of Respondent with respect to its consumer collection agency license for its Main Office, would be cancelled effective August 12, 2020.

20. On July 20, 2020, pursuant to Section 4-182(c) of the Connecticut General Statutes, the Division informed Respondent by e-mail of the notice of cancellation and provided Respondent an opportunity to show compliance with all lawful requirements for the retention of its consumer collection agency license in Connecticut. A reminder e-mail was also sent on August 10, 2020.

21. As of August 12, 2020, Respondent failed to file with the Commissioner a letter of reinstatement of the bond, a new bond or request to surrender its license in Connecticut.

22. As a result, the Commissioner automatically suspended Respondent's consumer collection agency license in Connecticut effective August 12, 2020.

### **III. STATUTORY BASIS FOR ORDER TO REVOKE CONSUMER COLLECTION AGENCY LICENSE, ORDER TO CEASE AND DESIST AND IMPOSITION CIVIL PENALTY**

1. Respondent failed to file on NMLS or otherwise notify the Commissioner that it had filed for bankruptcy and that its tangible net worth decreased below the minimum amount required pursuant to subsection (b) of Section 36a-801 of the Connecticut General Statutes, as more fully described in paragraphs 13 through 15, inclusive of the Matters Asserted, in violation of Section 36a-801(f)(3) of the Connecticut General Statutes, in effect at such time. Such violations constitute sufficient grounds to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a)(3) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes.

Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

2. Respondent utilized an out-of-state bank without a branch in Connecticut for its Connecticut debtor monies, as more fully described in paragraph 16 of the Matters Asserted, in violation of Section 36a-811(b) of the Connecticut General Statutes, in effect at such time. Such violation constitutes sufficient grounds to revoke Respondent's consumer collection agency license pursuant to Section 36a-804(a)(3) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes.

Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

3. Respondent charged at least one Connecticut debtor a collection fee in excess of 15% of the amount collected, as more fully described in paragraph 17 of the Matters Asserted, in violation of Section 36a-805(a)(12) of the Connecticut General Statutes, in effect at such time. Such violations constitute sufficient grounds to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a)(3) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and form the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

4. Respondent failed to provide information requested during the Examination, as more fully described in paragraph 18 of the Matters Asserted, in violation of Section 36a-17 of the Connecticut General Statutes, in effect at such time. Such violation constitutes sufficient grounds to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a)(3) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

5. Respondent failed to pay the costs of examination, as more fully described in paragraph 12 of the Matters Asserted, in violation of Section 36a-65(c)(6) of the Connecticut General Statutes, in effect at such time. Such violation constitutes sufficient grounds to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a)(3) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

6. Respondent's conduct, as more fully described in paragraphs 10 through 22, inclusive, of the Matters Asserted, renders the Commissioner unable to determine that the financial responsibility, character, reputation, integrity and general fitness of Respondent are such to warrant belief that the business will be operated soundly and efficiently, in the public interest and consistent with the purposes of Sections 36a-800 to 36a-814, inclusive, as required pursuant to Section 36a-801(c)(2) of Connecticut

General Statutes. Such failure constitutes sufficient grounds for the Commissioner to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

7. Respondent's failure to maintain a surety bond that runs concurrently with the period of its consumer collection agency license, as more fully described in paragraphs 19 through 22, inclusive, of the Matters Asserted, constitutes sufficient grounds for the Commissioner to deny an application for such license under Section 36a-802(a) of the Connecticut General Statutes and constitutes sufficient grounds for the Commissioner to revoke Respondent's license to act as a consumer collection agency in Connecticut from its Main Office pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

**IV. NOTICE OF AUTOMATIC SUSPENSION, NOTICE OF INTENT TO REVOKE  
CONSUMER COLLECTION AGENCY LICENSE, NOTICE OF INTENT TO ISSUE ORDER TO  
CEASE AND DESIST, NOTICE OF INTENT TO IMPOSE CIVIL PENALTY AND NOTICE OF  
RIGHT TO HEARING**

**WHEREAS**, the Commissioner has reason to believe that Respondent has engaged in acts or conduct which constitutes sufficient grounds for the Commissioner to issue an order to revoke Respondent's consumer collection agency license in Connecticut pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms a basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

**NOW THEREFORE**, pursuant to the authority granted in Section 36a-802(b) of the Connecticut General Statutes, the Commissioner gives **NOTICE** that on August 12, 2020, the license of Diversified Consultants, Inc. to act as a consumer collection agency in Connecticut from its main office, at 10550 Deerwood Park Blvd, Suite 309, Jacksonville, Florida, was **AUTOMATICALLY SUSPENDED** pending proceedings for revocation.

**FURTHER**, notice is hereby given to Respondent that the Commissioner intends to issue an order to **REVOKE** Respondent's consumer collection agency license in Connecticut from its Main Office, at 10550 Deerwood Park Blvd, Suite 309, Jacksonville, Florida, to issue an order requiring Respondent to **CEASE AND DESIST** from violating Sections 36a-17, 36a-65(c)(6), 36a-801(f), 36a-805(a)(12) and 36a-811(b) of the Connecticut General Statutes, and to impose a **CIVIL PENALTY** upon Respondent as set forth herein, subject to Respondent's right to a hearing on the allegations set forth above.

A hearing will be granted to Respondent if a written request for a hearing is received by the Department of Banking, Consumer Credit Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to [DOB.hearingsupport@ct.gov](mailto:DOB.hearingsupport@ct.gov) within fourteen (14) days following Respondent's receipt of this Notice of Automatic Suspension, Notice of Intent to Revoke Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing as set forth in Sections 36a-52(a) and 36a-50(a) of the Connecticut General Statutes. This Notice of Automatic Suspension, Notice of Intent to Revoke Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing shall be deemed received on the earlier of the date of actual receipt, or seven (7) days after mailing or sending. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above-referenced addresses. If Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se". Once a written request for a hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and Section 36a-1-21 of the Regulations of Connecticut State Agencies. If a hearing is requested, the hearing will be held remotely via videoconference using Microsoft Teams on April 20, 2021, at 10 a.m.

If a hearing is requested, it will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, Executive Order 7B, Section 1, as amended or superseded, and the Remote



Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>, unless Respondent fails to appear at the requested hearing. At such hearing, Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner.

If Respondent does not request a hearing within the time period prescribed or fails to appear at any such hearing, the allegation herein will be deemed admitted. Accordingly, the Commissioner will issue an order revoking Respondent's consumer collection agency license in Connecticut from its Main Office, at 10550 Deerwood Park Blvd, Suite 309, Jacksonville, Florida, will issue an order that Respondent cease and desist from violating Sections 36a-17, 36a-65(c)(6), 36a-805(a)(12) and 36a-811(b) of the Connecticut General Statutes and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent.

So ordered at Hartford, Connecticut  
this 18th day of February 2021.

/s/  
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Jorge L. Perez  
Banking Commissioner

**CERTIFICATION**

I hereby certify that on this 19th day of February 2021, I caused to be mailed by certified mail, return receipt requested, the foregoing Notice of Automatic Suspension, Notice of Intent to Revoke Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing to Diversified Consultants, Inc., Attn: Mavis Kohn, Vice President of Compliance, 10550 Deerwood Park Blvd, Suite 309, Jacksonville, Florida 32256, Certified Mail No. 7019 2970 0000 7891 3036.

/s/  
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Carmen M. Calderon  
Secretary 2