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**IN THE MATTER OF:**

**CAPITAL ACCOUNTS, LLC  
NMLS # 969974**

**(“Capital Accounts”)**

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**CONSENT ORDER**

**WHEREAS**, 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”);

**WHEREAS**, Capital Accounts is a Tennessee limited liability company with an office located at 310 Billingsly Court, Franklin, Tennessee;

**WHEREAS**, Capital Accounts was licensed to act as a consumer collection agency in Connecticut from September 27, 2009, to September 30, 2015, when its license expired;

**WHEREAS**, on May 19, 2017, Capital Accounts filed an application for licensure to act as a consumer collection agency in Connecticut (“Application”);

**WHEREAS**, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking, conducted an investigation pursuant to Section 36a-17 of the Connecticut General Statutes into the activities of Capital Accounts to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes and Regulations within the jurisdiction of the Commissioner;

**WHEREAS**, on October 27, 2017, the Division requested that Capital Accounts provide information pertaining to its consumer collection activity in Connecticut for the previous 24 months beginning October 1, 2015;

**WHEREAS**, as of June 26, 2020, Capital Accounts had failed to provide the requested information to the Division;

**WHEREAS**, as a result of such investigation, on June 26, 2020, the Commissioner issued a Temporary Order to Cease and Desist, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing against Capital Accounts (“Notice”), which Notice is incorporated by reference herein;

**WHEREAS**, the Commissioner alleged in the Notice that Capital Accounts acted within this state as a consumer collection agency without a consumer collection agency license, which constitutes a violation of Section 36a-801(a) of the Connecticut General Statutes, in effect at such time, and formed the basis to issue an order to cease and desist pursuant to Sections 36a-804(b)(1) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty pursuant to Sections 36a-804(b)(1) and 36a-50(a) of the Connecticut General Statutes;

**WHEREAS**, on June 26, 2020, the Notice was mailed by certified mail, return receipt requested, to Capital Accounts (Certified Mail No. 70191640000015848884);

**WHEREAS**, Capital Accounts received the Notice and, on August 6, 2020, requested a hearing, which hearing is currently scheduled for December 7, 2020;

**WHEREAS**, after receiving the Notice, Capital Accounts cooperated with the Department and provided the requested collection activity documentation which it had failed to provide during the initial investigation;

**WHEREAS**, Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

**WHEREAS**, the Commissioner and Capital Accounts now desire to resolve the matters contained in the Notice and set forth herein;

**WHEREAS**, the Commissioner and Capital Accounts acknowledge the possible consequences of formal administrative proceedings, and Capital Accounts voluntarily agrees to consent to the entry of the sanctions imposed below solely for the purpose of obviating the need for further formal administrative proceedings concerning the allegation contained in the Notice and set forth herein;

**WHEREAS**, Capital Accounts agrees that the Notice may be used in construing the terms of this Consent Order and agrees to the language of this Consent Order;

**WHEREAS**, Capital Accounts represents to the Commissioner that it has reviewed and updated its internal policies, procedures and controls for timely and accurately applying for licensure on the Nationwide Multistate Licensing System and Registry (“NMLS”);

**WHEREAS**, Capital Accounts specifically assures the Commissioner that the violation alleged in the Notice and set forth herein shall not occur in the future;

**WHEREAS**, Capital Accounts acknowledges that this Consent Order is a public record and is a reportable event for the purposes of the regulatory disclosure questions on NMLS, as applicable;

**AND WHEREAS**, Capital Accounts, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including an opportunity for a hearing as it pertains to the allegation contained in the Notice and set forth herein, and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

### **CONSENT TO ENTRY OF SANCTIONS**

**WHEREAS**, Capital Accounts, through its execution of this Consent Order, consents to the Commissioner’s entry of a Consent Order imposing the following sanctions:

1. No later than the date this Consent Order is executed by Capital Accounts, it shall remit to the Department of Banking by wire transfer, cashier’s check, certified check or money order, made payable to “Treasurer, State of Connecticut”, the sum of Twenty Thousand Dollars (\$20,000) as a civil penalty;

2. No later than the date this Consent Order is executed by Capital Accounts, it shall remit to the Department of Banking by wire transfer, cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", the sum of One Thousand Five Hundred Dollars (\$1,500) for back licensing fees; and
3. Capital Accounts shall cease and desist from acting as a consumer collection agency in Connecticut without a license, in violation of Section 36a-801(a) of the Connecticut General Statutes.

### **CONSENT ORDER**

**NOW THEREFORE**, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against Capital Accounts based upon the allegation set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Capital Accounts based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Capital Accounts and reflected herein is subsequently discovered to be untrue;
3. Capital Accounts shall not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Capital Accounts and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Capital Accounts to apply for or obtain initial licenses or renewal licenses under Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, provided all applicable legal requirements for such licenses are satisfied and the terms of this Consent Order are followed;
5. This Consent Order shall be binding upon Capital Accounts and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut  
this 8th day of December 2020.

/s/  
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Jorge L. Perez  
Banking Commissioner

I, Gregory Nowicki, state on behalf of Capital Accounts, LLC, that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Capital Accounts, LLC; that Capital Accounts, LLC, agrees freely and without threat or coercion of any kind to comply with the sanctions entered herein; and that Capital Accounts, LLC, voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/  
Name: Gregory Nowicki  
Title: Principal  
Capital Accounts, LLC

State of: Tennessee

County of: Williamson

On this the 4th day of December 2020, before me, David Brooks, the undersigned officer, personally appeared Gregory Nowicki, who acknowledged himself/herself to be the Principal of Capital Accounts, LLC, a member managed/manager managed limited liability company, and that he/she as such Principal, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself/herself as Principal.

In witness whereof I hereunto set my hand.

/s/  
Notary Public – David B. Brooks  
Date Commission Expires: 3/23/21