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**IN THE MATTER OF:**

**LAKESIDE RECEIVABLES LLC**

**(“Lakeside”)**

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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**, Lakeside is a New York limited liability company with an office located at 27 Main Street, Suite 103, Tonawanda, New York;

**WHEREAS**, Lakeside has never been licensed to act as a consumer collection agency in Connecticut;

**WHEREAS**, on August 6, 2019, the Commissioner received a consumer complaint regarding unlicensed collection activity by Lakeside, who had been assigned Connecticut accounts for collection from a licensed Connecticut consumer collection agency;

**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 Lakeside 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**, as a result of such investigation, the Commissioner alleges that in at least August 2019, Lakeside acted as a consumer collection agency in Connecticut without a consumer collection agency license, in violation of Section 36a-801(a) of the Connecticut General Statutes;

**WHEREAS**, the Commissioner believes that such allegation would support the initiation of enforcement proceedings against Lakeside, including, without limitation, proceedings to issue a cease and desist order pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and an order imposing a civil penalty of up to One Hundred Thousand Dollars (\$100,000) per violation pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

**WHEREAS**, initiation of such enforcement proceedings would constitute a “contested case” within the meaning of Section 4-166(4) of the Connecticut General Statutes;

**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 Lakeside acknowledge the possible consequences of formal administrative proceedings, and Lakeside voluntarily agrees to consent to the entry of the sanctions imposed below solely for the purpose of obviating the need for formal administrative proceedings concerning the allegation set forth herein;

**WHEREAS**, the Commissioner and Lakeside now desire to resolve the matters set forth herein;

**WHEREAS**, Lakeside represents to that it is no longer acting as a consumer collection agency in this state without a license;

**WHEREAS**, Lakeside specifically assures the Commissioner that the violation alleged herein shall not occur in the future;

**WHEREAS**, Lakeside acknowledges that this Consent Order is a public record and is a reportable event for purposes of the regulatory disclosure questions on the Nationwide Multistate Licensing System and Registry (“NMLS”), as applicable;

**AND WHEREAS**, Lakeside, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to a notice and an opportunity for a hearing as it pertains to the allegation 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**, Lakeside, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Lakeside 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 Ten Thousand Dollars (\$10,000) as a civil penalty in two installments as follows: (a) the first payment of Five Thousand Dollars (\$5,000) shall be due no later than the date this Consent Order is executed by Lakeside, and (b) the second and final payment of Five Thousand Dollars (\$5,000) shall be due no later than October 15, 2020;
2. No later than the date this Consent Order is executed by Lakeside, 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 Eight Hundred Dollars (\$800) for back licensing fees; and
3. Lakeside shall cease and desist from acting as a consumer collection agency in this state 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 Lakeside 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 Lakeside 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 Lakeside and reflected herein is subsequently discovered to be untrue;
3. Lakeside 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;



I, Richard Ziolkowski, state on behalf of Lakeside Receivables 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 Lakeside Receivables LLC; that Lakeside Receivables LLC agrees freely and without threat or coercion of any kind to comply with the sanctions entered herein; and that Lakeside Receivables 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:  
Title:  
Lakeside Receivables LLC

State of: NY

County of: Erie

On this the 20 day of October 2020, before me, Dana Cicero, the undersigned officer, personally appeared Richard Ziolkowski, who acknowledged himself/herself to be the Member of Lakeside Receivables LLC, a limited liability company, and that he/she as such Member, 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 \_\_\_\_\_.

In witness whereof I hereunto set my hand.

\_\_\_\_\_/s/  
Notary Public  
Date Commission Expires: 02/14/22