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**IN THE MATTER OF:** \*  
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**STUDENTS LOAN SERVICES LLC** \*  
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**(“Respondent”)** \*  
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**ORDER TO MAKE RESTITUTION**  
**NOTICE OF INTENT TO ISSUE**  
**ORDER TO CEASE AND DESIST**  
**NOTICE OF INTENT TO IMPOSE**  
**CIVIL PENALTY**  
**AND**  
**NOTICE OF RIGHT TO HEARING**

**I. LEGAL AUTHORITY AND JURISDICTION**

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Sections 36a-671 to 36a-671f, inclusive, of Part II of Chapter 669 of the Connecticut General Statutes, “Debt Adjusters and Debt Negotiation”.

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 the activities of Respondent to determine if it has violated, is violating or is about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner (“Investigation”).

3. As a result of the Investigation, the Commissioner has reason to believe that Respondent has violated Section 36a-671(b) of the Connecticut General Statutes.

4. As a result of the Investigation, the violation alleged by the Commissioner forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-671a(b) and 36a-52(a) of the Connecticut General Statutes.

5. As a result of the Investigation, the violation alleged by the Commissioner forms the basis to impose a civil penalty against Respondent pursuant to Sections 36a-671a(b) and 36a-50(a) of the Connecticut General Statutes.

6. As a result of the Investigation, the violation alleged by the Commissioner forms the basis to issue an order to make restitution pursuant to Sections 36a-671(b) and 36a-50(c) of the Connecticut General Statutes.

## **II. MATTERS ASSERTED**

7. Respondent is a limited liability company with a place of business at 1905 East 17th St Suite 201, Santa Ana, California.

8. On September 24, 2018, a Connecticut debtor (“Debtor”) was contacted by a representative of Respondent, claiming to be with the Department of Education (“DOE”) and stating that he would contact her student loan servicers to consolidate her student loans and make arrangements for her to qualify for student loan forgiveness.

9. In reliance on the representations made by Respondent, Debtor gave power of attorney electronically to Respondent (“POA”), and entered into a service agreement, authorizing a \$233.00 payment to Respondent for debt negotiation services relating to the negotiation of her student loans.

10. Debtor subsequently became aware that Respondent was not a part of the DOE and requested a refund of the \$233.00 payment and cancellation of the POA. Respondent initially refused to refund her payment, but later did after being contacted by the Division, on October 11, 2018.

11. At no time relevant hereto has Respondent been licensed to engage or offer to engage in debt negotiation in this state, nor did Respondent qualify for an exemption from such licensure.

12. On May 15, 2019, the Division sent an e-mail to Respondent informing it that its activities constitute engaging or offering to engage in debt negotiation and directing it to provide a list of all Connecticut debtors who have entered into a contract with or are represented by Respondent, which Respondent failed to provide.

13. Respondent failed to respond to the Division's e-mail or otherwise provide a list of all Connecticut debtors who have entered into a contract with or are represented by Respondent.

**III. STATUTORY BASIS FOR ORDER TO MAKE RESTITUTION,  
ORDER TO CEASE AND DESIST AND IMPOSITION OF CIVIL PENALTY**

Respondent's engaging or offering to engage in debt negotiation in this state without obtaining the required license, as more fully described in paragraphs 7 through 13, inclusive, of the Matters Asserted, constitutes at least one violation of Section 36a-671(b) of the Connecticut General Statutes, in effect at such time. Such violation forms the basis to issue an order to cease and desist pursuant to Sections 36a-671a(b) and 36a-52(a) of the Connecticut General Statutes, issue an order to make restitution pursuant to Sections 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, and impose a civil penalty pursuant to Sections 36a-671a(b) 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.

**IV. ORDER TO MAKE RESTITUTION, 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 forms the basis to issue an order to make restitution pursuant to Sections 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, issue an order to cease and desist pursuant to Sections 36a-671a(b) and 36a-52(a) of the Connecticut General Statutes, and impose a civil penalty pursuant to Sections 36a-671a(b) and 36a-50(a) of the Connecticut General Statutes.

**THE COMMISSIONER THEREFORE ORDERS**, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that Students Loan Services LLC **MAKE RESTITUTION** of any sums obtained as a result of Students Loan Services LLC violating Section 36a-671(b) of the Connecticut General Statutes in effect at such time, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30)

days from the date this Order to Make Restitution becomes permanent, Students Loan Services LLC shall:

1. Repay to any Connecticut debtor who entered into an agreement for debt negotiation services with Students Loan Services LLC on and after October 1, 2009, any fees paid by such Connecticut debtor to Students Loan Services LLC, plus interest. Payments shall be made by cashier's check, certified check or money order; and
2. Provide evidence of such repayments to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or [carmine.costa@ct.gov](mailto:carmine.costa@ct.gov).

**NOW THEREFORE**, notice is hereby given to Respondent that the Commissioner intends to issue an order requiring Respondent to **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes, and impose a **CIVIL PENALTY** upon Respondent as set forth herein, subject to Respondent's right to a hearing on the allegation 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 Order to Make Restitution, 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), 36a-50(a) and 36a-50(c) of the Connecticut General Statutes. This Order to Make Restitution, 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 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 27, 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, renewed 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 Order to Make Restitution shall remain in effect and become permanent against Respondent, and the Commissioner will issue an order that Respondent cease and desist from violating Section 36a-671(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 24th day of February 2021.

/s/  
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Jorge L. Perez  
Banking Commissioner

## CERTIFICATION

I hereby certify that on this 24 day of February 2021, I caused to be mailed by certified mail, return receipt requested, the foregoing Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing to Students Loan Services LLC, 1905 E. 17th Street, Santa Ana, California, Certified Mail No. 7019 2970 0000 7891 3012.

/s/  
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Carmen M. Calderon, Secretary 2