
IN THE MATTER OF:

**AVM VIRTUAL PARALEGAL
SERVICES LLC a/k/a AVM VIRTUAL
LEGAL SERVICES LLC**

(“AVM”)

* **TEMPORARY ORDER TO**
* **CEASE AND DESIST**
*
* **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, in effect at such time, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), has investigated the activities of AVM 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 AVM has violated Section 36a-671(b) of the Connecticut General Statutes, in effect at such time.

4. As a result of the Investigation, the violation alleged by the Commissioner against AVM forms the basis to issue an order to make restitution against AVM pursuant to Section 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, to issue an order to cease and desist against AVM pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the Connecticut

General Statutes, as amended by Public Act 21-130, and to issue a civil penalty against AVM pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the Connecticut General Statutes, as amended by Public Act 21-130.

II. MATTERS ASSERTED

5. AVM is a Florida limited liability company formed on March 6, 2019, with an office address at 4442 Drayton Lane, Oviedo, Florida.

6. At all relevant times hereto, AVM advertised and purported to offer debt negotiation services in this state for, or with the expectation of, compensation in connection with those services.

7. The Department received a complaint from a Connecticut consumer (“Complainant”) regarding services offered by AVM.

8. In or about May 2020, Complainant contacted AVM in direct response to a television advertisement aired in Connecticut by AVM, offering debt negotiation services.

9. On or about May 21, 2020, Complainant entered into a Services Agreement, an Account Administration Agreement and a Limited Power of Attorney (collectively, “Agreement”) with “AVM Virtual Legal Services, LLC aka AVM Virtual Legal Services, LLC as servicer for ASW Law, P.A.”, wherein AVM would resolve the Complainant’s debt issues with creditors and would automatically debit Complainant’s bank account in the amount of \$921.53 per month beginning on June 17, 2020, to be used to carry out the terms of the Agreement, including the payment of all fees and costs for legal services due to the Attorney, to pay amounts due to third party providers and payments to resolve the Complainant’s referred debt.

10. The sum the Complainant agreed to pay to AVM as consideration for the services to be provided was to be equal to forty-seven percent (47%) of the total amount of the balance of the referred debts and was payable in monthly payments of Twenty-Five Dollars (\$25), which was also automatically debited from Complainant’s account. The fees assessed in connection with the debt negotiation services exceed amounts that debt negotiators may charge pursuant to the Schedule of Maximum Fees established

by the Commissioner on or about October 1, 2009 (“Schedule of Maximum Fees”) pursuant to Section 36a-671b(b) of the Connecticut General Statutes. The Schedule of Maximum Fees permits a debt negotiator of unsecured debt to collect total aggregate fees, including the initial fee and service fees, not to exceed ten percent (10%) of the amount by which the consumer’s debt is reduced.

11. In October 2020, the Complainant began to receive telephone calls from the creditors included in Appendix A of the Agreement with AVM, regarding non-payment of the outstanding balances associated with those creditors.

12. At various times thereafter, the Complainant contacted AVM to inquire about the status of her debts. Although AVM reassured the Complainant that her accounts were being worked on, AVM took no action to resolve the Complainant’s debt issues with creditors as promised.

13. As part of the Agreement, the Complainant entered into a “Limited Power of Attorney” granting AVM Legal Services, LLC, in partnership with in-house counsel Sandra MacDougall, Esq., the authority to communicate with creditors, obtain information regarding Complainant’s debts and accounts, and make arrangements for the payment and settlement of such accounts or debts.

14. In furtherance of the Agreement, from June 17, 2020 until February 17, 2021, AVM made nine (9) automatic debits from Complainant’s bank account totaling Seven Thousand Five Hundred Sixty-Nine and 98/100 Dollars (\$7,569.98) via a “AVM Virtual Paralegal echeck”, which proceeds were to be used by AVM to pay Complainant’s creditors and assist with debt reduction.

15. On or about February 18, 2021, Complainant requested that a stop order be placed on AVM with Complainant’s bank so that no further monies would be taken by AVM.

16. On June 4, 2021, the Division sent an unlicensed activity letter to AVM providing notice that it was alleged to be engaged in unlicensed debt negotiation activity. The letter was returned to the Division on June 22, 2021, and stamped “Return to Sender-Refused-Unable to Forward.”

17. On or about July 28, 2021, the Division sent another unlicensed activity letter to the attorney listed as counsel within the Agreement. The attorney responded to the Division stating that she had sent a

cease and desist letter to AVM in or about December 2019, barring AVM from using her name. The attorney also represented to the Division that she had never communicated with any clients of AVM, nor negotiated any debts for any clients of AVM.

18. At no time did AVM make any payments towards any of Complainant's debts, nor did AVM take any action whatsoever to negotiate any of Complainant's debts or settle any of Complainants accounts.

19. At no time relevant hereto was AVM licensed to engage or offer to engage in debt negotiation in this state, nor did AVM qualify for an exemption from such licensure.

**III. STATUTORY BASIS FOR
ORDER TO MAKE RESTITUTION, NOTICE OF INTENT TO ISSUE ORDER TO
CEASE AND DESIST AND NOTICE OF INTENT TO IMPOSE CIVIL PENALTY**

1. AVM's engaging or offering to engage in debt negotiation in this state without obtaining the required license, as more fully described in paragraphs 6 through 15, inclusive, 18 and 19 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 make restitution pursuant to Sections 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, to issue an order to cease and desist pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the Connecticut General Statutes, as amended, and impose a civil penalty pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the Connecticut General Statutes, as amended. Section 36a-50(a) of the Connecticut General Statutes, as amended, authorizes the Commissioner to impose a civil penalty upon AVM in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

**IV. FINDING AND STATUTORY BASIS FOR
TEMPORARY ORDER TO CEASE AND DESIST**

The Commissioner finds that the public welfare requires immediate action to issue a temporary order requiring AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC to cease and desist from violating Section 36a-671(b) of the Connecticut General Statutes, and to take such action as set forth herein to effectuate the purposes of Section 36a-52(b) of the Connecticut General Statutes, in that the interests of Connecticut residents are being materially prejudiced by AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC continuing to engage or offering to engage in debt negotiation in Connecticut without obtaining the required license and complying with the restrictions imposed on such licensees pursuant to Sections 36a-671 to 36a-671f, inclusive, of the Connecticut General Statutes.

**V. TEMPORARY ORDER TO CEASE AND DESIST, 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 AVM has engaged in acts or conduct which form the basis to issue an order to make restitution pursuant to Sections 36a-671a(b) and 36a-50(c) of the Connecticut General Statutes, to issue an order to cease and desist pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-52(a) of the Connecticut General Statutes, as amended, and impose a civil penalty pursuant to Section 36a-671a(b) of the Connecticut General Statutes and Section 36a-50(a) of the Connecticut General Statutes, as amended;

AND WHEREAS, the Commissioner has made the finding required under Section 36a-52(b) of the Connecticut General Statutes.

THE COMMISSIONER THEREFORE ORDERS, pursuant to Section 36a-52(b) of the Connecticut General Statutes, that AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC immediately **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by

AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC, and, unless set aside or modified by a court, shall remain in effect until the effective date of a permanent order or dismissal of the matters asserted in this Temporary Order to Cease and Desist.

THE COMMISSIONER FURTHER ORDERS, pursuant to Sections 36a-17(a) and 36a-52(b) of the Connecticut General Statutes, that: Not later than fourteen (14) days from receipt of this Temporary Order to Cease and Desist, 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, AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC shall provide to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or carmine.costa@ct.gov, a list of all Connecticut consumers with whom AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC has entered into agreements for debt negotiation services on and after October 1, 2009. Such submission shall include: (a) a copy of each agreement, and (b) a list of each debtor's name and address and full itemization of each debtor's payments made pursuant to the agreement, specifying the dates, amounts and to whom such payments were made.

THE COMMISSIONER FURTHER ORDERS, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC **MAKE RESTITUTION** of any sums obtained as a result of AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal 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, AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC shall make restitution as follows:

1. AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC shall repay \$7,569.98 plus interest to the Connecticut consumer identified in Exhibit A attached hereto and repay any amounts received from any other Connecticut consumer who entered into an agreement for debt negotiation services with AVM Virtual Paralegal Services LLC a/k/a AVM

Virtual Legal Services LLC, any fees paid by such Connecticut consumer to AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal 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.

NOW THEREFORE, notice is hereby given to AVM that the Commissioner intends to issue an order requiring AVM to **CEASE AND DESIST** from violating Section 36a-671(b) of the Connecticut General Statutes, and impose a **CIVIL PENALTY** upon AVM as set forth herein, subject to AVM's right to a hearing on the allegation set forth above.

A hearing will be granted to AVM 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 within fourteen (14) days following AVM's receipt of this Temporary Order to Cease and Desist, 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) and 36a-50(a) of the Connecticut General Statutes, as amended, and Section 36a-50(c) of the Connecticut General Statutes. This Temporary Order to Cease and Desist, 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 AVM will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se". AVM may request that the hearing be held in person at the Department's offices or remotely via videoconference using Microsoft Teams. 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 on May 2, 2022, 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, unless AVM fails to appear at the requested hearing. At such hearing, AVM 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. Any remote hearing will be held in accordance with Section 149 of June Special Session Public Act 21-2, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct/gov/dob>.

If AVM does not request a hearing within the time period prescribed or fails to appear at any such hearing, the allegation herein against AVM will be deemed admitted. Accordingly, the Order to Make Restitution shall remain in effect and become permanent against AVM, and the Commissioner will issue an order that AVM 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 AVM.

So ordered at Hartford, Connecticut,
this 7th day of March 2022.

/s/

Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 8th day of March 2022, I caused to be mailed by certified mail, return receipt requested, the foregoing Temporary Order to Cease and Desist, 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 AVM Virtual Paralegal Services LLC a/k/a AVM Virtual Legal Services LLC, 4442 Drayton Lane, Oviedo, Florida 32765, Certified Mail No. 7016 2710 0000 5897 0403.

/s/

Tina M. Daigle
Paralegal