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 IN THE MATTER OF:  
 ROCKY MOUNTAIN CAPITAL  
 MANAGEMENT LLC  
 NMLS # 1747384  
 (“Respondent”)  
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**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 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 and Part III of Chapter 668, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, “Small Loan Lending and Related Activities” and the regulations promulgated thereunder, Sections 36a-570-1 to 36a-570-17, inclusive, of the Regulations of Connecticut State Agencies.

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 or the Regulations of Connecticut State Agencies within the jurisdiction of the Commissioner (“Investigation”).

3. As a result of the Investigation, the Commissioner has reason to believe that Respondent has violated Sections 36a-556(a) and 36a-801(a) of the Connecticut General Statutes in effect at such time.

4. As a result of the Investigation, the Commissioner finds that the public welfare requires immediate action to issue an order to cease and desist against Respondent from violating Section 36a-801(a) of the Connecticut General Statutes, pursuant to Section 36a-52(b) of the Connecticut General Statutes.

5. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to make restitution against Respondent pursuant to Sections 36a-570(b), 36a-804(b) and 36a-50(c) of the Connecticut General Statutes.

6. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-570(b), 36a-804(b) and 36a-52(a) of the Connecticut General Statutes.

7. As a result of the Investigation, the violations alleged by the Commissioner form the basis to impose a civil penalty against Respondent pursuant to Sections 36a-570(b), 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

## **II. MATTERS ASSERTED**

8. Respondent is a Delaware limited liability company with its principal address at 3829 Forest Parkway, Ste 200, North Tonawanda, New York.

9. In November 2020 and November 2021, the Division received bond cancellation and bond reinstatement notices for Respondent who has never held a consumer collection agency license in Connecticut.

10. On December 6 and 13, 2021, the Division conducted the Investigation into Respondent's collection activities. Respondent represented to the Division that it acquired from and sold and outsourced to third-party collection agencies portfolios of defaulted consumer debt, which debt included 177 Connecticut consumer accounts.

11. On December 15, 2021, the Division notified Respondent that its activities constituted consumer collection which requires licensure in Connecticut and shared the Indirect Activities Memorandum dated August 26, 2020. The Division also requested 24 months of its Connecticut collection activities.

12. On January 6, 2022, Respondent represented to the Division that it obtained a surety bond in contemplation of acquiring a significant amount of Connecticut accounts, however, it did not acquire the anticipated portfolio and is no longer engaged in consumer collection activity in Connecticut.

13. On October 3, 2022, Respondent provided a spreadsheet including 353 Connecticut consumer accounts with payments received on at least 19 accounts between June 2020 and November 2021.

14. The Division also found that on at least one occasion since at least November 2017, Respondent received payment of principal and interest in connection with a loan made to a Connecticut borrower by a lender, unlicensed in Connecticut, that charged interest at a rate of greater than 12% per annum on loans in amounts of fifteen thousand dollars or less, in violation of Section 36a-556(a) of the Connecticut General Statutes, in effect at that time.

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

15. Respondent's acting within this state as a consumer collection agency without a consumer collection agency license, as more fully described in paragraphs 8 through 14, inclusive, constitutes violations of Section 36a-801(a) of the Connecticut General Statutes in effect at such time. Such violations form the basis to issue an order to make restitution pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, issue an order to cease and desist pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty pursuant to Sections 36a-804(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.

16. Respondent's engaging in small loan activity, as more fully described in paragraphs 8 through 14, inclusive, constitutes violation of Section 36a-556(a) 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-570(b) and 36a-50(c) of the Connecticut General Statutes, issue an order to cease and desist pursuant to Sections 36a-570(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty pursuant to Sections 36a-570(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. 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 Respondent to cease and desist from violating Section 36a-801(a) of the Connecticut General Statutes, and requiring Respondent to take such action as set forth herein to effectuate the purposes of Section 36a-52(b) of Connecticut General Statutes, in the interests of Connecticut consumer debtors that are being prejudiced by Respondent's collecting and attempting to collect debts of Connecticut consumer debtors without a consumer collection agency license in Connecticut.

#### **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 Respondent has engaged in acts or conduct which forms the basis to issue an order to make restitution against Respondent pursuant to Sections 36a-570(b), 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, and an order to cease and desist against Respondent pursuant to Sections 36a-570(b), 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to

Sections 36a-570(b), 36a-804(b) and 36a-50(a) of the Connecticut General Statutes in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation;

**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 the authority granted in Section 36a-52(b) of the Connecticut General Statutes, that ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC immediately **CEASE AND DESIST** from engaging in the business of consumer collection in this state without obtaining the required license in violation of Section 36a-801(a) of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by ROCKY MOUNTAIN CAPITAL MANAGEMENT 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 Section 36a-50(c) of the Connecticut General Statutes that ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC, **MAKE RESTITUTION** of any sums obtained as a result of ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC violating Sections 36a-556(a) and 36a-801(a) of the Connecticut General Statutes, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes since November 1, 2017. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC shall:

1. ROCKY MOUNTAIN shall reimburse all fees and expenses plus interest paid by the Connecticut borrower identified in Exhibit A attached hereto and any other Connecticut borrower in connection with the collection on a small loan made by an unlicensed person in violation of Section 36a-556(a) of the Connecticut General Statutes; and
2. Provide evidence of such reimbursement 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-801(a) 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 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 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 36-50(c), 36a-52(a) and 36a-50(a) 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-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". Respondent 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 either in person or remotely via videoconference using Microsoft Teams on October 11, 2023, 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 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. Any remote hearing will be held in accordance with Section 149 of the June Special Session Public Act 21-2, as amended by Section 1 of

Public Act 22-3, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>.

If Respondent does not request a hearing within the time 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, and the Commissioner will issue an order that Respondent cease and desist from violating Sections 36a-556(a) and 36a-801(a) 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.

Dated at Hartford, Connecticut,  
this 15th day of August 2023.

/s/  
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Jorge L. Perez  
Banking Commissioner

**CERTIFICATION**

I hereby certify that on this 16th day of August 2023, 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 was sent by certified mail, return receipt requested, to ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC, Attention: David Dwyer, President, 3829 Forest Parkway, Ste 200, North Tonawanda, New York 14120, Certified Mail No. 9589 0710 5270 0567 2687 35 ; ROCKY MOUNTAIN CAPITAL MANAGEMENT LLC, Attention: Katelyn Stumpf, Compliance Officer, 3829 Forest Parkway, Ste 200, North Tonawanda, New York 14120, Certified Mail No. 9589 0710 5270 0567 2687 28

/s/  
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Swarupa Madhavan  
Paralegal