
*
IN THE MATTER OF: *
*
AQUARION ASSET *
MANAGEMENT, LLC *
NMLS # 2558629 *
*
(“Respondent”) *
*

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

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;

WHEREAS, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), has investigated the activities of Respondent to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes or the Regulations of Connecticut State Agencies within the jurisdiction of the Commissioner;

WHEREAS, on May 28, 2024, the Commissioner issued a Temporary Order to Cease and Desist, Orde 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 (collectively, “Order and Notice”) against Respondent, which Order and Notice is incorporated herein by reference;

WHEREAS, on May 28, 2024, the Order and Notice was caused to be mailed by certified mail, return receipt requested, to Respondent (Certified Mail Nos. 9589071052701542922482, 9589071052701542922499 and 9589071052701542922505);

WHEREAS, on June 6, 2024, the Department received confirmation that on June 3, 2024, the Order and Notice mailed via Certified Mail No. 9589071052701542922482 was delivered to Respondent, and on June 10, 2024, the Department received confirmation that on June 5, 2024, the Order and Notice mailed via Certified Mail No. 9589071052701542922499 was delivered;

WHEREAS, on June 10, 2024, the Order and Notice sent to Respondent via Certified Mail No. 9589071052701542922505 was returned to the Department marked “Return to Sender – Not Deliverable as Addressed – Unable to Forward”;

WHEREAS, the Order and Notice provided Respondent with the opportunity for a hearing, and stated that if a hearing was not requested by Respondent within 14 days of its receipt or if Respondent failed to appear at any such hearing, the allegations would be deemed admitted, the Order to Make Restitution shall remain in effect and become permanent, and the Commissioner would issue an order that Respondent cease and desist from violating Sections 36a-17(e), 36a-801(a) and 36a-812 of the Connecticut General Statutes, subdivisions (4), (5) and (10) of Section 36a-809-11 of the Regulations of Connecticut State Agencies, and 12 CFR Sections 1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F (“The Fair Debt Collection Practices Act”), and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent;

WHEREAS, the Order and Notice issued against Respondent was deemed received by the person on the earlier of the date of actual receipt, or seven days after mailing or sending, pursuant to Sections 36a-52(a), 36a-50(a) and 36a-50(c) of the Connecticut General Statutes;

WHEREAS, Respondent failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Order and Notice, with respect to the activity described therein, that Respondent’s acting within this state as a consumer collection agency without a

consumer collection agency license constitutes violations of Section 36a-801(a) of the Connecticut General Statutes. 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 against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent's using false, deceptive or misleading representations in connection with the collection of a debt, including falsely representing that the debt was valid, and that a lawsuit would be filed against the consumer or that consumer's property would be attached by Respondent should the debt remain unpaid, constitutes violations of subdivisions (4), (5) and (10) of Section 36a-809-11 of the Regulations of Connecticut State Agencies. 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 against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent's using false, deceptive or misleading representation or means in connection with the collection of any debt, including falsely representing that the alleged debt was valid and that a lawsuit would be filed against the consumer or that consumer's property would be attached by Respondent should the debt remain unpaid, constitutes falsely representing the character, amount or legal status of a debt, in violation of 12 CFR Section 1006.18(b)(2)(i) of Regulation F, representing that nonpayment of any debt will result in the seizure, garnishment, attachment or sale of any property of any person when such action cannot legally be taken or is not intended to be taken, in violation of 12 CFR Section 1006.18(b)(3) of Regulation F, and threatening to take action that cannot legally be taken or that is not intended to be taken, in violation of 12 CFR Section 1006.18(c)(1) of Regulation F, and using any

false representation or deceptive means to collect or attempt to collect any debt, in violation of 12 CFR Section 1006.18(d) of Regulation F, all violations of which constitute violations of Section 36a-812 of the Connecticut General Statutes. 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 against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent's failure to provide information requested during the investigation constitutes a violation of Section 36a-17(e) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, also in the Order and Notice, the Commissioner ordered, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that not later than thirty (30) days from the date the Order to Make Restitution becomes permanent, that Respondent promptly refund all payments made by Connecticut consumers that were collected by Respondent, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes, since February 19, 2020, and provide to the Director of the Consumer Credit Division evidence of such refunds;

WHEREAS, Section 36a-52(a) of the Connecticut General Statutes provides, in pertinent part, that “[i]f the person does not request a hearing within the time specified in the notice . . . , the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-50(a)(2) of the Connecticut General Statutes provides, in pertinent part, that “[i]f such person does not request a hearing within the time specified in the notice . . . , the

commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person”;

WHEREAS, Section 36a-50(a)(3) of the Connecticut General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with Section 4-180 of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 8 through 19, inclusive, of Section II of the Order and Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 20 through 23, inclusive, of Section III of the Order and Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies.

2. The Commissioner finds that Respondent has engaged in acts or conduct which forms the basis to issue an order to cease and desist pursuant to Section 36a-804(b) and 36a-52(a) of the Connecticut General Statutes and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

3. The Commissioner finds that the Order and Notice was given in compliance with Sections 36a-52(a), 36a-50(a), 36a-50(c) and 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-804(b), 36a-52(a), 36a-50(a) and 36a-50(c) of the Connecticut General Statutes, that:

1. Aquarion Asset Management, LLC **CEASE AND DESIST** from violating Sections 36a-17(e), 36a-801(a) and 36a-812 of the Connecticut General Statutes, subdivisions (4), (5) and (10) of Section 36a-809-11 of the Regulations of Connecticut State Agencies, and 12 CFR Sections 1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F;
2. A **CIVIL PENALTY** of Three Hundred Thousand Dollars (\$300,000) be imposed upon Aquarion Asset Management, LLC to be remitted to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", no later than forty-five (45) days from the date this Order is mailed;
3. The **ORDER TO MAKE RESTITUTION** issued on May 28, 2024, remains in effect and became permanent against Aquarion Asset Management, LLC on June 18, 2024; and
4. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 5th day of July 2024.

/s/

Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to
Respondent on July 8, 2024.

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Sheridan, WY 82801
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Aquarion Asset Management, LLC
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