
IN THE MATTER OF:

**AQUARION ASSET
MANAGEMENT, LLC
NMLS # 2558629**

(“Respondent”)

**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 (“Regulations”).

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 (“Department”), 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 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-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, 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”).

4. As a result of the Investigation, the Commissioner finds that the public welfare requires immediate action to issue a temporary order to cease and desist against Respondent 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, and 12 CFR Sections 1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F, 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-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-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 upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

II. MATTERS ASSERTED

8. Respondent is a Wyoming limited liability company with offices at 1309 Coffeen Avenue STE 1200, Sheridan, Wyoming, and 9303 Monroe Rd, Ste C, Charlotte, North Carolina.

9. Respondent has never been licensed to act as a consumer collection agency in Connecticut, nor is Respondent otherwise exempt from licensure.

Connecticut Consumer Complaint # 1

10. On July 26, 2023, a Connecticut consumer filed a complaint with the Connecticut Office of the Attorney General stating that she had been contacted by Respondent by telephone, multiple times, attempting to collect a credit card debt which the consumer was already paying off with a different company. The consumer also provided a letter received from Respondent attempting to collect the debt.

The consumer contacted the original creditor, who confirmed that the debt had not been transferred to Respondent for collection.

11. On October 3, 2023, the Consumer Advocacy Section of the Connecticut Office of the Attorney General sent an e-mail to Respondent, at the address displayed on Respondent's website (contact@aquarionam.com), concerning the Connecticut consumer's complaint and requiring a response within ten business days. Respondent failed to respond to the e-mail and the matter was referred to the Department.

12. On November 30, 2023, the Department sent certified letters, return receipt requested, to Respondent at 9303 Monroe Road, Ste C, Charlotte, North Carolina, and to P.O. Box 2634, Mathews, North Carolina, notifying Respondent of its alleged violation of Section 36a-801(a) of the Connecticut General Statutes and providing Respondent an opportunity to respond. The letters additionally requested that Respondent provide detailed information regarding Connecticut consumer collection activity for the previous two years and required a written response from Respondent by December 21, 2023. On December 8, 2023, the Department received the delivery confirmation signed by Tamika Williams, Respondent's primary company contact in NMLS, indicating receipt of the letter by Respondent at the Charlotte, North Carolina address.

Connecticut Consumer Complaint # 2

13. On October 30, 2023, the Department received a complaint from another Connecticut consumer regarding mail and telephone communications received from Respondent attempting to collect a debt which the consumer disputed.

14. A review of the complaint revealed that in October 2023, the consumer received a telephone call from Respondent in which Respondent purported to be a collection agency and stated that it would take the consumer to court for unpaid debt and attach any property complainant owned. This was the first time the consumer was contacted by Respondent and the first time the consumer had learned of the supposed debt. On the telephone call, Respondent advised the consumer that the alleged debt was

associated with an account opened in 2018 with HSBC Bank. The consumer disputed the validity of the debt and Respondent's right to collect on the same, and requested verification of the debt, which was not provided.

15. Respondent contacted complainant via telephone repeatedly throughout the month of October 2023, attempting to collect the alleged debt and threatening legal action. To date, Respondent has not taken legal action against complainant.

16. On November 17, 2023, the Department sent certified letters, return receipt requested, to Respondent at 9303 Monroe Road, Ste C, Charlotte, North Carolina, and to P.O. Box 2634, Matthews, North Carolina, notifying Respondent of its alleged violation of Section 36a-801(a) of the Connecticut General Statutes and providing Respondent an opportunity to respond. The letters additionally requested that Respondent provide detailed information regarding Connecticut consumer collection activity for the previous two years and required a written response from Respondent by December 8, 2023. The letter to P.O. Box 2634, Matthews, North Carolina returned to the Department marked "return to sender".

* * *

17. On January 30, 2024, the Department again sent the letters, referenced in paragraphs 12 and 16 above, via certified mail, return receipt requested, to Respondent at additional addresses of 4030 Wake Forest Road, Suite 349, Raleigh, North Carolina, and 1309 Coffeen Avenue, Suite 1200, Sheridan, Wyoming, requiring a written response from Respondent by February 13, 2024. On February 5, 2024 and February 9, 2024, respectively, the Department received delivery confirmation for the letters.

18. On February 9, 2024, the Department sent copies of the certified letters, referenced in Paragraph 17 above, to Respondent via e-mail to admin@aquarionam.com and tbwilliams@aquarionam.com.

19. To date, Respondent has failed to provide any response to the Department or otherwise provide the information requested during the Investigation.

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

20. 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 15, inclusive, 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. 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.

21. 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, as more fully described in paragraphs 8 through 15, inclusive, constitutes violations of subdivisions (4), (5) and (10) of Section 36a-809-11 of the Regulations. 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. 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.

22. 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, as more fully described in paragraphs 8 through 15, inclusive, 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. 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.

23. Respondent's failure to provide information requested during the Investigation, as more fully described in paragraphs 8 through 19, inclusive, 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. 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 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, and 12 CFR Sections 1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F, and requiring Respondent 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 consumer debtors are being prejudiced by Respondent's collecting and attempting to collect debts of Connecticut consumer debtors while not duly licensed.

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 a basis to issue an order to make restitution against Respondent pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, 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;

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 Aquarion Asset Management, LLC immediately **CEASE AND DESIST** from engaging in the business of a consumer collection agency in this state without obtaining the required license in violation of Section 36a-801(a) of the Connecticut General Statutes; from using false, deceptive or misleading representations in connection with the

collection of a debt, including, but not limited to, the representation that nonpayment of any debt will result in the seizure, garnishment, attachment or sale of any property of any person unless such action is lawful and the consumer collection agency or credit intends to take such action, the threat to take an action that cannot legally be taken or that is not intended to be taken and the use of false representations or deceptive means to collect or attempt to collect a debt or obtain information concerning a debtor, in violation of subdivisions (4), (5) and (10) of Section 36a-809-11 of the Regulations; from failing to comply with the applicable provisions of the Fair Debt Collection Practices Act, including falsely representing the character, amount or legal status of any 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, 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 false representations or deceptive means to collect or attempt to collect any debt, in violation of 12 CFR Section 1006.18(d) of Regulation F, all in violation of Section 36a-812 of the Connecticut General Statutes; and from failing to provide information requested during the Investigation in violation of Section 36a-17(e) of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by Aquarion Asset 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 the authority granted in Sections 36a-17 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, Aquarion Asset Management, 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, an itemized list of all Connecticut consumer collection activity, including any debt it collected, attempted to collect on, or received monies for, since

February 19, 2020, including: (a) the name, address and telephone number of each consumer debtor, (b) the date of placement with Aquarion Asset Management, LLC, the creditor name and last attempt of contact, and (c) full itemization of each consumer debtor's payments made since February 19, 2020, specifying the dates, amounts and to whom such payments were made, including any fees paid to Aquarion Asset Management, LLC.

THE COMMISSIONER FURTHER ORDERS, pursuant to Section 36a-50(c) of the Connecticut General Statutes that Aquarion Asset Management, LLC, **MAKE RESTITUTION** of any sums obtained as a result of Aquarion Asset Management, LLC violating Section 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 February 19, 2020. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, Aquarion Asset Management, LLC shall:

Promptly refund all payments made by Connecticut consumers that were collected by Aquarion Asset Management, LLC since February 19, 2020, and provide evidence of such refund 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 Respondent that the Commissioner intends to issue an order requiring Respondent to **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, and 12 CFR Sections 1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F 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 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”.

If a hearing is requested, it will be held in person at the Department’s offices. 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. At the discretion of the Hearing Officer, for good cause shown, the Hearing Officer may approve requests for remote participation in the hearing by a Respondent, witness, or attorney. If such requests are approved by the Hearing Officer, such remote participation will be conducted via videoconference. If a hearing is requested, the hearing will be held on July 24, 2024, 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. Remote participation in a hearing will be held in accordance with Section 1-225a of the Connecticut General Statutes, 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 allegations 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-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, and 12 CFR Sections

1006.18(b)(2)(i), 1006.18(b)(3), 1006.18(c)(1) and 1006.18(d) of Regulation F 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 28th day of May 2024.

/s/

Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 28th day of May 2024, 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 Aquarion Asset Management, LLC, 1309 Coffeen Avenue STE 1200, Sheridan, Wyoming 82801, Certified Mail No. 9589071052701542922482; Aquarion Asset Management, LLC, 9303 Monroe Road, Ste C, Charlotte, North Carolina 28270, Certified Mail No. 9589071052701542922499; and Aquarion Asset Management, LLC, P.O. Box 2634, Mathews, North Carolina 28106, Certified Mail No. 9589071052701542922505.

/s/
Swarupa Madhavan
Paralegal