
*
IN THE MATTER OF: *
*
NEW HAMPSHIRE/NORTHEAST *
CREDIT SERVICES, INC. *
NMLS # 933108 *
*
(“NH Northeast”) *
*

CONSENT ORDER

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, NH Northeast is a New Hampshire corporation with its main office at 35 Technology Way, 3W5, Nashua, New Hampshire;

WHEREAS, NH Northeast has been licensed to act as a consumer collection agency in Connecticut since October 24, 1996;

WHEREAS, on or about June 2, 2022, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking, conducted an examination pursuant to Section 36a-17 of the Connecticut General Statutes into the activities of NH Northeast to determine if it has violated, was violating or was about to violate the provisions of the Connecticut General Statutes and Regulations of Connecticut State Agencies within the jurisdiction of the Commissioner (“Examination”). The Examination covered the time period between January 1, 2020 and March 31, 2022;

WHEREAS, the Examination reported a repeat finding that NH Northeast failed to reconcile its trust account, finding the majority of the outstanding checks from a prior examination remained outstanding and NH Northeast failed to escheat the monies to the appropriate state agencies in a timely manner;

WHEREAS, as a result of the Examination, the Commissioner alleges that NH Northeast conducted its business in a way which renders the Commissioner unable to determine that the financial responsibility, character and integrity of NH Northeast are such as to warrant belief that the business will be operated soundly and efficiently, in the public interest and consistent with the purposes of Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, as required pursuant to Section 36a-801(c)(2) of the Connecticut General Statutes;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against NH Northeast, which proceedings would constitute a “contested case” within the meaning of Section 4-166(4) of the Connecticut General Statutes. Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, NH Northeast specifically assures the Commissioner that the violation alleged herein shall not occur in the future;

WHEREAS, NH Northeast also specifically assures the Commissioner that it will timely report and remit any unclaimed property to the appropriate state agencies and that it has reviewed and updated its internal policies, procedures and controls to prevent recurrence of the violation alleged herein;

WHEREAS, NH Northeast acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and executes this Consent Order freely;

WHEREAS, NH Northeast acknowledges that this Consent Order is a public record and is a reportable event for the purposes of NMLS, as applicable;

AND WHEREAS, NH Northeast, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to notice and an opportunity for a hearing as it pertains to the allegation set forth herein, voluntarily agrees to consent to the entry of the sanction imposed below and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, NH Northeast, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Within sixty (60) days of its execution of this Consent Order, NH Northeast shall provide evidence, satisfactory to the Commissioner, that it has reported all outstanding checks as of its execution of this Consent Order and remitted corresponding funds to state agencies in accordance with state laws governing escheatment. Such evidence shall be provided to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or Carmine.Costa@ct.gov;
2. For a period of two (2) years following its execution of this Consent Order, NH Northeast shall provide an accounting of any and all outstanding checks to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or Carmine.Costa@ct.gov on a quarterly basis to be submitted no later than thirty (30) days after each calendar quarter-end;
3. NH Northeast shall timely remit any unclaimed property to the appropriate state agencies, demonstrate compliance with state escheatment laws through its performance of the sanctions set forth in paragraphs 1 and 2, and demonstrate financial responsibility as required pursuant to Section 36a-801(c)(2) of the Connecticut General Statutes.

CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against NH Northeast based upon the allegation set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against NH Northeast based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by NH Northeast and reflected herein is subsequently discovered to be untrue;

3. NH Northeast shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis. Except as specifically provided herein, NH Northeast shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects NH Northeast's (i) testimonial obligations, or (ii) right to take any legal or factual position that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by NH Northeast and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of NH Northeast to apply for or obtain licenses or renewal licenses under Part XII of Chapter 669, Sections 36a-800 et seq., of the Connecticut General Statutes, provided all applicable legal requirements for such license are satisfied and the terms of this Consent Order are followed;
5. This Consent Order shall be binding upon NH Northeast and their successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 18th day of March 2024.

/s/

Jorge L. Perez
Banking Commissioner

I, Karen Clement, state on behalf of New Hampshire/Northeast Credit Services, Inc. that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of New Hampshire/Northeast Credit Services, Inc.; that New Hampshire/Northeast Credit Services, Inc. agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that New Hampshire/Northeast Credit Services, Inc. voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/
Name: Karen Clement
Title: Controller
New Hampshire/Northeast Credit Services, Inc.

State of: New Hampshire

County of: Hillsborough

On this the 13 day of March 2024, before me, Sherin U. Vakkattel, the undersigned officer, personally appeared Karen Clement, who acknowledged herself to be the Controller of New Hampshire/Northeast Credit Services, Inc., a corporation, and that she as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as _____.

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires: February 22, 2028