
*
IN THE MATTER OF: *
*
PROBATE ADVANCE, LLC *
d/b/a INHERITFAST *
*
(“Probate Advance”) *
*

CONSENT ORDER

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Part III of Chapter 668, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, “Small Loan Lending and Related Activities,” (“Act”) and the regulations promulgated thereunder, Sections 36a-570-1 to 36a-570-17, inclusive, of the Regulations of Connecticut State Agencies;

WHEREAS, Probate Advance is a Delaware limited liability company with an address of 100 Fisher Avenue # 952, White Plains, New York;

WHEREAS, Probate Advance has never been licensed to engage in small loan activities in Connecticut;

WHEREAS, on or around August 7, 2023, the Department of Banking (“Department”) received a complaint concerning Probate Advance’s solicitation of a Connecticut resident for an advance of her estate proceeds;

WHEREAS, as a result of the complaint, pursuant to Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department, commenced an investigation into the activities of Probate Advance to determine if it had 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;

WHEREAS, as a result of such investigation, the Commissioner alleges that from at least December 20, 2018 to August 24, 2023, Probate Advance: (1) made at least 31 small loans to Connecticut borrowers without the required small loan license, in violation of Section 36a-556(a)(1) of the Connecticut General Statutes in effect at such time; (2) offered a small loan to a prospective Connecticut borrower or solicited a Connecticut resident for a small loan without the required license, in violation of Section 36a-556(a)(2) of the Connecticut General Statutes in effect at such time; (3) received payments in connection with small loans made to Connecticut borrowers without the required license, in violation of Section 36a-556(a)(4) of the Connecticut General Statutes in effect at such time; and (4) advertised small loans in this state without the required license, in violation of Section 36a-556(a)(6) of the Connecticut General Statutes in effect at such time;

WHEREAS, no part of this Consent Order, including its statements and commitments, shall constitute evidence or admission of any liability, fault, or wrongdoing by Probate Advance;

WHEREAS, the Commissioner believes that such allegations would support initiation of enforcement proceedings against Probate Advance, including, without limitation, proceedings to issue an order to make restitution against Probate Advance pursuant to Sections 36a-570(b)(1) and 36a-50(c) of the Connecticut General Statutes, order to cease and desist against Probate Advance pursuant to Sections 36a-570(b)(1) and 36a-52(a) of the Connecticut General Statutes, and an order imposing a civil penalty of up to One Hundred Thousand Dollars (\$100,000) per violation upon Probate Advance pursuant to Sections 36a-570(b)(1) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, initiation of such enforcement 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, Probate Advance represents that it provided comprehensive disclosures to consumers about probate purchase transactions and filed these purchase agreements with the relevant probate court for review and full transparency. Probate Advance believes it was making purchases, not loans and acknowledges that the Department believes such purchases are within the purview of the Act;

WHEREAS, the Commissioner and Probate Advance acknowledge the uncertainty, risk and possible consequences of formal administrative proceedings, and Probate Advance voluntarily agrees to consent to the entry of the sanctions imposed below without admitting or denying the allegations set forth herein (including the applicability of the licensure requirement), and solely for the purpose of obviating the need for formal administrative proceedings concerning the allegations set forth herein;

WHEREAS, the Commissioner and Probate Advance now desire to resolve the matter set forth herein;

WHEREAS, as of August 24, 2023, Probate Advance has represented that it has ceased new probate transactions with Connecticut consumers in amounts of \$50,000 or less;

WHEREAS, Probate Advance represents that it will limit collection on any outstanding probate transactions with Connecticut consumers, initiated prior to August 24, 2023, to 12% APR of amounts of \$15,000 or less;

WHEREAS, Probate Advance specifically assures the Commissioner that the alleged violations described herein shall not occur in the future;

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

WHEREAS, Probate Advance 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;

AND WHEREAS, Probate Advance, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to a notice and an opportunity for a hearing as it

pertains to the allegations set forth herein, 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, Probate Advance, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Probate Advance shall not violate Section 36a-556(a) of the 2024 Supplement to the General Statutes by, including, but not limited to, making small loans; offering, soliciting, brokering, directly or indirectly arranging, placing or finding a small loan; engaging in any other activity intended to assist a prospective Connecticut borrower in obtaining a small loan; advertising small loans; and receiving payments in connection with small loans made to Connecticut borrowers, without having first obtained a small loan license;
2. No later than the date this Consent Order is executed by Probate Advance, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Ten Thousand Dollars (\$10,000) as a civil penalty;
3. No later than the date this Consent Order is executed by Probate Advance, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Two Thousand Four Hundred Dollars (\$2,400) as payment for back licensing fees; and
4. No later than thirty (30) days from the date this Consent Order is executed by Probate Advance, it shall refund all amounts received in excess of an annual percentage rate of twelve (12) %, directly or indirectly, from a Connecticut borrower in connection with a transaction in the amount of \$15,000 or under made by Probate Advance while not licensed as a small loan lender in Connecticut. Probate Advance shall refund such amounts as follows:
 - a. Payments shall be made by check to all Connecticut borrowers listed in Exhibit A to the borrower's most current mailing address in an envelope with a clear and conspicuous statement on the front of the envelope stating in bold, uppercase letters: "IMPORTANT INFORMATION ENCLOSED BASED ON A SETTLEMENT WITH THE STATE OF CONNECTICUT." Probate Advance shall notify Connecticut borrowers, via a written communication acceptable to the Department, that amounts are being paid as the result of a settlement with the Connecticut Department of Banking;
 - b. Probate Advance shall utilize industry standard practices for locating debtors, including skip tracing or the National Change of Address System, to identify the current mailing address for each Connecticut borrower listed in Exhibit A;
 - c. Probate Advance shall mail checks to Connecticut borrowers in accordance with the total amount of fees they are owed, as indicated in the "Reimbursement Amount" column of Exhibit A;

- d. All checks that Probate Advance mails pursuant to this Consent Order shall be valid for sixty (60) days after the date of issue of the check and shall be mailed to eligible Connecticut borrowers within five (5) days of the date of issue;
- e. Probate Advance shall hold the sum of any checks which remain uncashed in escrow for the benefit of such Connecticut borrowers until such time the monies are provided to the respective Connecticut borrower or escheated to the state; and
- f. Probate Advance shall provide any refund payment information requested by the Division, including, without limitation, the date a check was issued and mailed, and the status of such payment, to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or carmine.costa@ct.gov, within five (5) business days of such request, and shall separately provide three (3) monthly reports, due August 1, 2024, September 1, 2024 and October 1, 2024, respectively, listing the names and addresses of Connecticut borrowers listed in Exhibit A to whom Probate Advance has mailed checks, the amount of each payment and the status of being cashed.

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 Probate Advance based upon the allegations set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Probate Advance 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 Probate Advance and reflected herein is subsequently discovered to be untrue;
3. Except as specifically provided herein, Probate Advance 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 Probate Advance's (i) testimonial obligations, (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 or (iii) First Amendment rights;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Probate Advance and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Probate Advance to apply for or obtain licenses or renewal licenses under Part III of Chapter 668, Sections 36a-555 *et seq.*, of the Connecticut General Statutes, provided that all applicable legal requirements for any such license are satisfied and the terms of this Consent Order are being followed;

5. This Consent Order shall be binding upon Probate Advance and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 8th day of July 2024

/s/

Jorge L. Perez
Banking Commissioner

I, Jeremy Milim, state on behalf of Probate Advance, LLC d/b/a InheritFast 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 Probate Advance, LLC d/b/a InheritFast; that Probate Advance, LLC d/b/a InheritFast agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Probate Advance, LLC d/b/a InheritFast 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: Jeremy Milim
Title: EVP
Probate Advance, LLC d/b/a InheritFast

State of: New York

County of: Westchester

On this the 26th day of June 2024, before me, Kelly Ayala, the undersigned officer, personally appeared Jeremy Milim, who acknowledged himself to be the EVP of Probate Advance, LLC d/b/a InheritFast, a manager managed limited liability company, and that he as such EVP, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Jeremy Milim.

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires: March 20, 2027