
IN THE MATTER OF:

**FAIR COLLECTIONS &
OUTSOURCING OF
NEW ENGLAND, INC.
d/b/a FCO
NMLS # 934298
("FCO NE")**

**FAIR COLLECTIONS &
OUTSOURCING, INC.
d/b/a FCO
NMLS # 980983
("FCO")**

(collectively, "Respondents")

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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, FCO NE is a Maryland corporation with its main office at 14400 Sweitzer Lane, Suite 235, Laurel, Maryland, which had been licensed to act as a consumer collection agency in Connecticut from at least October 12, 2005, until its license expired on January 1, 2025;

WHEREAS, FCO is a Maryland corporation with its main office at 14400 Sweitzer Lane, Suite 235, Laurel, Maryland, which has never been licensed to act as a consumer collection agency in Connecticut;

WHEREAS, FCO NE and FCO are affiliated entities, which share a parent company, FCO Holding, Inc., a Maryland corporation;

WHEREAS, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking, conducted an investigation, pursuant to Section 36a-17 of the Connecticut General Statutes, into the activities of Respondents to determine if they have violated, were violating or were 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 between at least 2015 and December 31, 2024, FCO acted as a consumer collection agency in Connecticut without a license, in violation of Section 36a-801(a) of the Connecticut General Statutes, in effect at such time;

WHEREAS, as a result of such investigation, the Commissioner also alleges that between at least 2015 and December 31, 2024, FCO NE comingled funds collected or received from Connecticut consumer debtors with those of unlicensed entity, FCO, in violation of Section 36a-811(b) of the Connecticut General Statutes, in effect at such time;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against FCO NE, including, without limitation, proceedings to issue an order revoking FCO NE’s license to act as a consumer collection agency in this state pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, order to cease and desist against FCO NE pursuant to Section 36a-804(b) 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 FCO NE pursuant to Section 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against FCO, including, without limitation, proceedings to issue an order to cease and desist against FCO pursuant to Section 36a-804(b) 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 FCO pursuant to Section 36a-804(b) 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, the Commissioner and Respondents acknowledge the possible consequences of formal administrative proceedings, and Respondents, without admitting or denying the allegations contained therein, voluntarily agree to consent to the entry of the sanctions imposed below solely for the purpose of obviating the need for formal administrative proceedings concerning the allegations set forth herein;

WHEREAS, the Commissioner and Respondents now desire to resolve the matters set forth herein;

WHEREAS, FCO NE represents that it has ceased all consumer collection activity in Connecticut as of December 31, 2024;

WHEREAS, on or about November 14, 2024, FCO submitted an application through the Nationwide Multistate Licensing System and Registry (“NMLS”) for a license to act as a consumer collection agency in Connecticut, which is currently pending;

WHEREAS, FCO represents that it has ceased all consumer collection activity in Connecticut, pending approval of its application;

WHEREAS, Respondents acknowledge that “[n]o person licensed to act within this state as a consumer collection agency shall do so under any other name . . . than that named in the license”, and that “a [consumer collection agency] license shall not be transferable or assignable”, pursuant to Section 36a-801(i) of the Connecticut General Statutes;

WHEREAS, Respondents specifically assure the Commissioner that the violations alleged herein shall not occur in the future;

WHEREAS, both FCO and FCO NE each specifically assure the Commissioner that should they act as a consumer collection agency in Connecticut in the future, they will maintain a separate client trust account at a federally insured bank, Connecticut credit union, federal credit union or an out-of-state bank, deposit all funds collected from Connecticut consumer debtors only into such account, and establish, implement and maintain procedures to ensure that it refrains from commingling money collected from Connecticut consumer debtors with its own funds or the funds of any affiliated entity, and otherwise comply with the requirements of Section 36a-811 of the Connecticut General Statutes;

WHEREAS, Respondents acknowledge that they have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and execute this Consent Order freely;

WHEREAS, Respondents acknowledge that this Consent Order is a public record and is a reportable event for purposes of the regulatory disclosure questions on NMLS, as applicable;

AND WHEREAS, Respondents, through their execution of this Consent Order, voluntarily agree to waive their procedural rights, including a right to notice and an opportunity for a hearing as it pertains to the allegations set forth herein, and voluntarily wave their right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Respondents, through their execution of this Consent Order, consent to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Respondents shall cease and desist from acting as a consumer collection agency in Connecticut without a license, in violation of Section 36a-801(a) of the Connecticut General Statutes;
2. No later than the date this Consent Order is executed by Respondents, they shall, jointly or severally, 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; and
3. No later than the date this Consent Order is executed by FCO, 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 Dollars (\$2,000) as payment for back licensing fees.

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 Respondents 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 Respondents 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 Respondents and reflected herein is subsequently discovered to be untrue;
3. Respondents 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, Respondents 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 Respondents' (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 Respondents and their control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Respondents to apply for or obtain initial licenses or renewal licenses under Part XII of Chapter 669, Sections 36a-800 et seq., of the Connecticut General Statutes, provided that 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 Respondents and their successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 1st day of May 2025.

/s/

Jorge L. Perez
Banking Commissioner

I, Justin Evans, state on behalf of Fair Collections & Outsourcing of New England, Inc. d/b/a FCO 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 Fair Collections & Outsourcing of New England, Inc. d/b/a FCO; that Fair Collections & Outsourcing of New England, Inc. d/b/a FCO agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Fair Collections & Outsourcing of New England, Inc. d/b/a FCO 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: Justin Evans
Title: Executive Vice President
Fair Collections & Outsourcing of
New England, Inc. d/b/a FCO

State of: Maryland

County of: Prince George

On this the 14 day of April 2025, before me, Tamara Post, the undersigned officer, personally appeared Justin Evans, who acknowledged himself/herself to be the Executive Vice President of Fair Collections & Outsourcing of New England, Inc. d/b/a FCO, a corporation, and that he/she as such Executive Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as Executive Vice President.

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires: February 1, 2026

I, Justin Evans, state on behalf of Fair Collections & Outsourcing, Inc. d/b/a FCO 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 Fair Collections & Outsourcing, Inc. d/b/a FCO; that Fair Collections & Outsourcing, Inc. d/b/a FCO agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Fair Collections & Outsourcing, Inc. d/b/a FCO 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: Justin Evans
Title: Executive Vice President
Fair Collections & Outsourcing, Inc. d/b/a FCO

State of: Maryland

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In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires: February 1, 2026