

\*\*\*\*\*

**IN THE MATTER OF:**

**MILNER LEGAL SERVICES**

**(“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 (“CC 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-801(a), 36a-806(a), 36a-808 and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, in effect at such time, and subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulations.

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-801(a), 36a-806(a), 36a-808 and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, as amended by Public Act 25-168, and subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulations, 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 allegedly a company with an office at 100 N Barranca Street, West Covina, California. Respondent has never been licensed to act as a consumer collection agency in Connecticut, nor is Respondent exempt from licensure requirements.

9. On April 7, 2025, a complaint was filed by a Connecticut resident (“Complainant”) with the Government Relations and Consumer Affairs Division (“GRCA Division”) of the Department stating that the Complainant had been contacted via telephone by someone claiming to be a representative of Respondent. According to the complaint, Respondent threatened the Complainant with a lawsuit for not paying a credit card bill from The Hongkong and Shanghai Banking Corporation (“HSBC”). Respondent could not provide an exact date or verification of the debt. Respondent stated that the bill was \$1,605.16,

of which \$1,000 was the original debt amount and \$605.16 was accrued interest. Respondent gave the Complainant the option to pay a reduced amount of \$1,100 if the Complainant paid on the same day with a credit card.

10. The Complainant requested a written explanation, which Respondent provided to the Complainant via e-mail. Respondent sent a collection letter dated December 3, 2024, and a settlement letter dated April 7, 2025, both of which were on stationery headed “Milner Legal Services”. The Complainant stated that he was unaware of the existence of this debt and expressed concerns that Respondent was attempting to scam him and other unsuspecting consumers over false debts.

11. On April 10, 2025, the Department, through the GRCA Division, sent Respondent a certified letter, return receipt requested, notifying Respondent of its alleged violation of Section 36a-801(a) of the Connecticut General Statutes and providing Respondent an opportunity to respond by May 1, 2025. The letter requested additional information about Respondent’s consumer collection activity in Connecticut for the previous two years. On April 29, 2025, the letter was returned to the Department as “Return to Sender – Vacant – Unable to Forward”.

12. On May 2, 2025, the matter was referred to the CC Division. Upon further investigation, the CC Division discovered similar complaints against Respondent from consumers in other states. In those cases, Respondent contacted consumers claiming that there was a pending lawsuit against them for past due debts. The other complaints reported the phone numbers associated with Respondent as scams. A search for “Milner Legal Services” yielded no results on the State Bar of California website.

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

13. 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 12, inclusive, constitutes at least one violation of Section 36a-801(a) of the Connecticut General Statutes. Such violation forms 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.

14. Respondent's falsely representing or implying that the communication to the Complainant was from an attorney or on behalf of an attorney, as more fully described in paragraphs 8 through 12, inclusive, constitutes at least one violation of Section 36a-805(a)(1) of the Connecticut General Statutes, in effect at such time. Such violation forms 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.

15. Respondent's using false representation of the character, amount or legal status of the debt, falsely representing that the communication was from an attorney, and threatening to take legal action against the Complainant that cannot legally be taken, as more fully described in paragraphs 8 through 12, inclusive, constitutes unfair and deceptive practices pursuant to Sections 36a-806(a) and 36a-808 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.

16. Respondent's using falsely representing the character, amount or legal status of the debt, falsely representing that the communication was from an attorney, and threatening to take legal action against the consumer that cannot legally be taken, as more fully described in paragraphs 8 through 12, inclusive, constitutes violations of Section 1006.18 of the Fair Debt Collection Practices Act, 15 USC Section 1692 et seq., as from time to time amended, and any regulations adopted under said act, which constitutes 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.

17. Respondent's using falsely representing of the character, amount or legal status of the debt, falsely representing that the communication was from an attorney, and threatening to take legal action against the consumer that cannot legally be taken, as more fully described in paragraphs 8 through 12, inclusive, constitutes violations of subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulation. 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.

#### **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-801(a), 36a-806(a) 36a-808 and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, as amended by Public Act 25-168, and Section 36a-809-11 of the Regulations, 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 without a consumer collection agency license in Connecticut and using false and deceptive representations to attempt to collect the debt.

#### **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 Milner Legal Services 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; using false representation of the character, amount or legal status of the debt, false representation that the

communication was from an attorney, and threat to take legal action against the consumer that cannot legally be taken in violation of Sections 36a-806(a), 36a-808 and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, as amended by Public Act 25-168, and subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulations. This Temporary Order to Cease and Desist shall become effective upon receipt by Milner Legal Services 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, Milner Legal Services shall provide to Swarupa Madhavan, Paralegal, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or swarupa.madhavan@ct.gov,

- (a) An itemized list of all Connecticut consumer collection activity, including any fees or debt it collected, attempted to collect on, or received monies for, since April 1, 2020 including: (a) the name, address and telephone number of each consumer debtor, (b) the date the consumer was contacted, and (c) full itemization of each consumer debtor's payments made since April 1, 2020, specifying the dates, amounts and to whom such payments were made, including any fees paid to Milner Legal Services.
- (b) Any derogatory credit reporting Milner Legal Services placed on Connecticut consumer debtor accounts since April 1, 2020.

**THE COMMISSIONER FURTHER ORDERS**, pursuant to Section 36a-50(c) of the Connecticut General Statutes that Milner Legal Services, **MAKE RESTITUTION** of any sums obtained as a result of Milner Legal Services violating Sections 36a-801(a), plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes since April 1, 2020. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, Milner Legal Services shall promptly refund all payments made by Connecticut consumers that were

collected by Milner Legal Services since April 1, 2020, and provide evidence of such refund to Swarupa Madhavan, Paralegal, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or swarupa.madhavan@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-801(a), 36a-806(a), and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, as amended by Public Act 25-168, and subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulations, and to impose a **CIVIL PENALTY** upon Respondent as set forth herein, subject to Respondent's right to a hearing on the allegations 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](mailto: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 January 6, 2025. 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-801(a), 36a-806(a), 36a-808 and 36a-812 of the Connecticut General Statutes, Section 36a-805(a)(1) of the Connecticut General Statutes, as amended by Public Act 25-168, and subdivisions (2)(A), (3) and (5) of Section 36a-809-11 of the Regulations, 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 October 2025.

/s/  
Jorge L. Perez  
Banking Commissioner

### **CERTIFICATION**

I hereby certify that on this 29th day of October 2025, 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 Milner Legal Services, at 100 N. Barranca St., West Covina, California 91761, Certified Mail No. 7022 2410 0000 9598 2913.

/s/

Isaac Graham  
Paralegal