
*
IN THE MATTER OF: *
*
MILNER LEGAL SERVICES *
*
(“Respondent”) *
*

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

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”, as amended, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”);

WHEREAS, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), has investigated the activities of Respondent to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes or the Regulations within the jurisdiction of the Commissioner;

WHEREAS, on October 28, 2025, the Commissioner issued a 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 (collectively “Order and Notice”) against Respondent, which Order and Notice is incorporated herein by reference;

WHEREAS, on October 29, 2025, the Order and Notice was caused to be mailed by certified mail, return receipt requested, to Respondent (Certified Mail No. 7022 2410 0000 9598 2913);

WHEREAS, on November 10, 2025, the Order and Notice sent to Respondent was returned to the Department marked “Return to Sender – Attempted – Not Known – Unable to Forward”;

WHEREAS, the Order and Notice issued against Respondent was deemed received by the person on the earlier of the date of actual receipt, or seven days after mailing or sending, pursuant to Sections 36a-52(a), 36a-50(a) and 36a-50(c) of the Connecticut General Statutes;

WHEREAS, the Order and Notice provided Respondent with the opportunity for a hearing, and stated that if a hearing was not requested by Respondent within 14 days of its receipt or if Respondent failed to appear at any such hearing, the allegations against Respondent contained in the Order and Notice would be deemed admitted, the Order to Make Restitution shall remain in effect and become permanent, and the Commissioner would 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 and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent;

WHEREAS, Respondent failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Order and Notice, with respect to the activity described therein, that Respondent acted within this state as a consumer collection agency without a consumer collection agency license which 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, 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;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent falsely represented or implied that the communication to the complainant was from or on behalf of an attorney which 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, 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;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent falsely represented the character, amount or legal status of the debt, falsely represented that the communication was from an attorney, and threatened to take legal action against the complainant that cannot legally be taken which constitute 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, 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;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent falsely represented the character, amount or legal status of the debt, falsely represented that the communication was from an attorney, and threatened to take legal action against the consumer that cannot legally be taken which 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 in turn 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, 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;

WHEREAS, the Commissioner also alleged in the Order and Notice, with respect to the activity described therein, that Respondent falsely represented the character, amount or legal status of the debt, falsely represented that the communication was from an attorney, and threatened to take legal action against the consumer that cannot legally be taken which constitutes violations of subdivisions (2)(A), (3) and (5) 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, 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;

WHEREAS, also in the Order and Notice, the Commissioner ordered, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that not later than thirty (30) days from the date the Order to Make Restitution becomes permanent, that Respondent promptly refund all payments made by Connecticut consumers that were collected by Respondent, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes, since April 1, 2020, and provide evidence of such refunds to Swarupa Madhavan, Paralegal, Consumer Credit Division, Department of Banking, 280 Trumbull Street, 16th Floor, Hartford, Connecticut 06103, or swarupa.madhavan@ct.gov ;

WHEREAS, Section 36a-52(a) of the Connecticut General Statutes provides, in pertinent part, that “[i]f the person does not request a hearing within the time specified in the notice . . . , the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-50(a)(2) of the Connecticut General Statutes provides, in pertinent part, that “[i]f such person does not request a hearing within the time specified in the notice . . . , the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person”;

WHEREAS, Section 36a-50(a)(3) of the Connecticut General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with Section 4-180 of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 8 through 12, inclusive, of Section II of the Order and Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 13 through 17, inclusive, of Section III of the Order and Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations.

2. The Commissioner finds that Respondent has engaged in acts or conduct which 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.

3. The Commissioner finds that the Order and Notice was given in compliance with Sections 36a-52(a), 36a-50(a), 36a-50(c) and 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-804(b), 36a-52(a), 36a-50(a) and 36a-50(c) of the Connecticut General Statutes, that:

1. Milner Legal Services **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 of Connecticut State Agencies;
2. A **CIVIL PENALTY** of Two Hundred Thousand Dollars (\$200,000) be imposed upon Milner Legal Services to be remitted to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than forty-five (45) days from the date this Order is mailed;
3. The **ORDER TO MAKE RESTITUTION** issued on October 28, 2025, remains in effect and became permanent against Milner Legal Services on November 20, 2025; and
4. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 25th day of February 2026.

/s/

Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to
Respondent on February 26, 2026.

Milner Legal Services
100 N. Barranca St.
West Covina
California 91761
Certified Mail No. 7014 3490 0002 3525 8964