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IN THE MATTER OF:

MAIN LINE RECOVERY
SOLUTIONS, INC.
d/b/a COLLECTION RECOVERY
SERVICES
d/b/a CRS
d/b/a MLR
d/b/a MLR SOLUTIONS
NMLS # 1733064

(“MLRS”)
 * * * * *

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 (“Regulations”);

WHEREAS, MLRS is a Pennsylvania corporation with an office located at 29 Regency Plaza, Glen Mills, Pennsylvania;

WHEREAS, MLRS has never been licensed to act as a consumer collection agency in Connecticut;

WHEREAS, on October 25, 2022, MLRS filed an application for a license to act as a consumer collection agency in Connecticut on the Nationwide Multistate Licensing System and Registry (“NMLS”), which is currently pending;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking, conducted an examination pursuant to Section 36a-17 of the Connecticut General Statutes in

effect at such time into the activities of MLRS to determine if it had violated, was violating, or was about to violate the provisions of the Connecticut General Statutes and Regulations within the jurisdiction of the Commissioner (“Examination”);

WHEREAS, as a result of such examination, the Commissioner alleges that since at least 2019, MLRS acted as a consumer collection agency in Connecticut without a consumer collection agency license, in violation of Section 36a-801(a) of the Connecticut General Statutes in effect at such time;

WHEREAS, the Commissioner believes that such allegation would support the initiation of enforcement proceedings against MLRS, including, without limitation, proceedings to issue a cease and desist order against MLRS pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, and an order imposing a civil penalty upon MLRS of up to One Hundred Thousand Dollars (\$100,000) per violation pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the 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;

WHEREAS, 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 MLRS acknowledge the possible consequences of formal administrative proceedings, and MLRS voluntarily agrees to consent to the entry of the sanctions without admitting or denying any allegation set forth herein and solely for the purpose of obviating the need for further formal administrative proceedings concerning the allegation contained herein;

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

WHEREAS, MLRS represents that it is no longer acting as a consumer collection agency in this state without a license;

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

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

1. MLRS shall cease and desist from acting as a consumer collection agency in this state without a license, in violation of Section 36a-801(a) of the 2022 Supplement to the General Statutes;
2. No later than the date this Consent Order is executed by MLRS, 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; and
3. No later than the date this Consent Order is executed by MLRS, 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 Eight Hundred Dollars (\$800) 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 MLRS 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 MLRS 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 MLRS and reflected herein is subsequently discovered to be untrue;

3. MLRS 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, MLRS 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 MLRS's (i) testimonial obligations, or (ii) right to take legal or factual positions 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 MLRS and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of MLRS to apply for or obtain licenses or renewal licenses under Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, 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 MLRS and its successor and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 21st day of March 2023.

/s/

Jorge L. Perez
Banking Commissioner

I, Timothy Kleppick, state on behalf of Main Line Recovery Solutions, 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 Main Line Recovery Solutions, Inc.; that Main Line Recovery Solutions, 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 Main Line Recovery Solutions, 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: Tim Kleppick
Title: President
Main Line Recovery Solutions, Inc.
d/b/a Collection Recovery Services
d/b/a CRS
d/b/a MLR
d/b/a MLR Solutions

State of: Pennsylvania

County of: Delaware

On this 15th day of March 2023, before me, Laura Ann Maloney, the undersigned officer, personally appeared Tim Kleppick, who acknowledged himself/herself to be the President of Main Line Recovery Solutions, Inc., a corporation, and that he/she as such 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 President.

In witness whereof I hereunto set my hand.

/s/
Notary Public – Laura Ann Maloney
My Commission Expires: April 29, 2026