

81038/MS

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

In the Matter of Collection Agency
National Credit Systems, Inc. (NCS)
License No. 20400930

CONSENT ORDER

TO: National Credit Systems, Inc. (NCS)
1775 The Exchange SE Suite 300
Atlanta, GA 30339

Commissioner of Commerce Grace Arnold (Commissioner) has determined as follows:

1. The Commissioner has advised National Credit Systems, Inc. (Respondent) that she is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2022), and other applicable law, based on the following allegations:

- a. Respondent attempted to collect on amounts not expressly authorized by the agreement creating the debt or permitted by law in violation of 15 U.S.C. § 1692f 808 (1) and Minn. Stat. § 332.37 (12) (2022); and
- b. Although Respondent cooperated with the investigation, it failed to completely respond to the Department's requests for information in violation of Minn. Stat. § 45.027 subd. 1a (2022).

2. Respondent acknowledges that it has been advised of the right to a hearing in this matter, to present arguments to the Commissioner, and to appeal from any adverse determination after a hearing. Respondent hereby expressly waives those rights. Respondent further acknowledges that it has been represented by legal counsel throughout these proceedings.

3. Respondent has agreed to an informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2022) and Minn. R. 1400.5900 (2021).

4. For purposes of Minn. Stat. § 16D.17 (2022), Respondent expressly waives the right to

any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 (2022) allows the Commissioner to file and enforce the civil penalty imposed by this Order as a judgment against Respondent in district court without further notice or additional proceedings.

5. The civil penalty and/or any resulting judgment arising from this Order will be non-dischargeable in any bankruptcy proceeding. See 11 U.S.C. 523 (a)(7) ("A discharge under section 727, 1141, 1228(a), 1228(b) or 1328(b) of this title does not discharge an individual debtor from any debt... to the extent such debt is for a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit, and is not compensation for actual pecuniary loss, other than a tax penalty...").

6. The following Order is in the public interest.

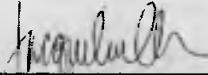
NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. Ch. 45 (2022) that:

A. Respondent shall pay a civil penalty in the amount of \$10,000 to the State of Minnesota. The Commissioner has stayed \$4,000 of this penalty. Respondent must pay \$6,000 at the time the Consent to Entry of Order is signed. The stayed portion of the civil penalty may be lifted if Respondent commits further violations of any law, rule, or order related to the duties and responsibilities entrusted to the Commissioner within the next three years. If the Commissioner determines that Respondent has committed further violations of any law, rule, or order over which the Commissioner has authority, the stay shall be lifted and the stayed portion of the penalty shall become effective in addition to any additional administrative action the Commissioner deems appropriate for the new violation(s). If the Commissioner seeks to lift the stay, Respondent may request a hearing to challenge the factual basis for lifting the stay, but may not challenge the amount of the stayed penalty. If the stay has not been lifted by July 20, 2026, the stayed portion of the civil penalty will be vacated.

This Order shall be effective upon signature by or on behalf of the Commissioner.

Date: 08/25/2023

GRACE ARNOLD
Commissioner



JACQUELINE OLSON
Assistant Commissioner of Enforcement
Minnesota Department of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101
(651) 5391600

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of Respondent states the undersigned has read this Consent Order; that the undersigned knows and fully understands its contents and effect; that the undersigned is authorized to execute this Consent Order on behalf of Respondent.; that the undersigned has been advised of the right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing and expressly waives those rights. The undersigned further acknowledges that Respondent has been represented by legal counsel throughout these proceedings.

The undersigned consents to entry of this Order by the Commissioner, while neither admitting nor denying the allegations set forth herein. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

Date: 8/4/2023

National Credit Systems Inc.

By: Jonathan Green
(Name)

Its: General Counsel
(Title)

STATE OF GA

COUNTY OF Henry

Signed or attested before me on 8-4-23 (Date).

(Signature of Notary) Dandace Deal Davis

(Notary stamp)
10-31-23

My Commission expires:
10-31-23