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**IN THE MATTER OF:**

**TRUEACCORD CORP.  
NMLS # 1374720**

**(“TrueAccord”)**

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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 (“Regulations”), and Part III of Chapter 668, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, “Small Loan Lenders”;

**WHEREAS**, TrueAccord is a Delaware corporation with an office located at 16011 College Blvd., Suite 130, Lenexa, Kansas;

**WHEREAS**, TrueAccord is currently licensed to act as a consumer collection agency in Connecticut;

**WHEREAS**, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Division”), conducted an examination pursuant to Section 36a-17 of the Connecticut General Statutes, in effect at such time, into the activities of TrueAccord 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;

**WHEREAS**, as a result of the examination, the Commissioner alleges that from January 2015 to June 2016, TrueAccord collected on loans made by lenders affiliated with federally recognized Native-American tribes, unlicensed in Connecticut, that charged interest at a rate of greater than 12% per annum on loans in amounts of fifteen thousand dollars or less, in violation of Section 36a-573(a) of the Connecticut General Statutes, in effect at that time, and from July 2016 to at least November 2020, TrueAccord collected and received payments on small loans in amounts less than five thousand dollars made by lenders affiliated with federally recognized Native-American tribes, unlicensed in Connecticut, that had annual percentage rates of greater than 36%, in violation of subsections (b) and (c) of Section 36a-558 of the Connecticut General Statutes;

**WHEREAS**, the Connecticut Supreme Court in *Great Plains Lending, LLC v. Dep't of Banking*, 339 Conn. 112 (May 20, 2021) held that while sovereign immunity shields Native American tribes and duly proven “arms of the tribe” from administrative enforcement actions for violations of state law, Native Americans going beyond reservation boundaries have generally been held subject to nondiscriminatory state law otherwise applicable to all citizens of the state, and that the Department may still seek injunctive relief to bar individuals, including tribal officials, from violating state law;

**WHEREAS**, consistent with its January 2015 memorandum to consumer collection agencies and the *Great Plains* decision, the Department prohibits consumer collection agencies from collecting on small loans made by unlicensed persons, including lenders affiliated with Native American tribes, and considers such loans void and unenforceable pursuant to Section 36a-558(c) of the Connecticut General Statutes;

**WHEREAS**, TrueAccord represents that it has not reported, and does not currently report, payment history pertaining to small loans made by unlicensed persons to credit reporting agencies;

**WHEREAS**, as a result of its examination, the Commissioner also alleges that TrueAccord commingled operating monies from its business account with monies in its trust accounts in violation of Section 36a-811(b) of the Connecticut General Statutes in effect at such time;

**WHEREAS**, the Commissioner also alleges TrueAccord engaged in an act or practice that was unfair or deceptive in violation of Section 36a-806(a) of the Connecticut General Statutes by advertising financial products and services of unlicensed affiliates in its consumer collection communications;

**WHEREAS**, the Commissioner believes that such allegations would support the initiation of enforcement proceedings against TrueAccord, including, without limitation, proceedings to issue a cease and desist order against TrueAccord pursuant to Sections 36a-570(b), 36a-804(b) and 36a-808 of the Connecticut General Statutes, and Section 36a-52(a) of the 2022 Supplement to the General Statutes, impose a civil penalty of up to one hundred thousand dollars (\$100,000) per violation upon TrueAccord pursuant to Sections 36a-570(b), 36a-804(b) and 36a-808 of the Connecticut General Statutes, and Section 36a-50(a) of the 2022 Supplement to the General Statutes, and issue an order to make restitution pursuant to Sections 36a-570(b), 36a-804(b) and 36a-808 of the Connecticut General Statutes, and Section 36a-50(c) of the 2022 Supplement to the General Statutes;

**WHEREAS**, TrueAccord neither admits nor denies the allegations contained herein;

**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**, both the Commissioner and TrueAccord acknowledge the possible consequences of formal administrative proceedings, and TrueAccord voluntarily agrees 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**, TrueAccord specifically assures the Commissioner that the alleged violations herein shall not occur in Connecticut in the future;

**WHEREAS**, TrueAccord acknowledges that this Consent Order is a public record and is a reportable event for the purposes of the Nationwide Multistate Licensing System and Registry (“NMLS”), as applicable;

**AND WHEREAS**, TrueAccord, 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 allegations 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**, TrueAccord consents to the Commissioner’s entry of a Consent Order imposing the following sanctions:

1. No later than the date TrueAccord executes this Consent Order, 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”, Ten Thousand Dollars (\$10,000) as a civil penalty;
2. No later than July 1, 2022, TrueAccord shall refund all amounts collected from Connecticut borrowers as payment on a small loan, as defined in Section 36a-555, made by lenders affiliated with federally recognized Native-American tribes, unlicensed in Connecticut as follows:
  - (A) Refunds shall be made by check to all Connecticut borrowers listed in Exhibit A to the borrower’s most current mailing address in an envelope with a clear and conspicuous statement on the front of the envelope stating in bold, uppercase letters: **“IMPORTANT INFORMATION ENCLOSED BASED ON A SETTLEMENT WITH THE STATE OF CONNECTICUT.”**;
  - (B) TrueAccord shall utilize industry standard practices for locating debtors, including skip tracing and the National Change of Address System, to identify the current mailing address for each Connecticut borrower listed in Exhibit A;
  - (C) TrueAccord shall mail refund checks to Connecticut borrowers in accordance with the refund they are owed, as indicated in the “Amount Collected” column of Exhibit A;
  - (D) All refund checks that TrueAccord mails pursuant to this Consent Order shall be valid for sixty (60) days after the date of issue of the check and shall be mailed to eligible Connecticut borrowers within five (5) days of the date of issue;
  - (E) Any refund to a Connecticut borrower which remains uncashed after the expiration of the 60 day period shall be reduced to an additional civil penalty and TrueAccord shall remit such additional civil penalty to the Department by cashier’s check, certified check or

money order made payable to the “Treasurer, State of Connecticut” no later than October 1, 2022; and

- (F) TrueAccord shall provide any refund payment information requested by the Division, including, without limitation, the date a refund check was issued and mailed and the status of such refund payment, to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or [carmine.costa@ct.gov](mailto:carmine.costa@ct.gov), within three (3) business days of such request, and shall separately provide three (3) monthly reports, due August 1, September and October 1, 2022, respectively, listing the names and addresses of Connecticut borrowers listed in Exhibit A to whom TrueAccord has mailed refund checks, the amount of each check and status of being cashed.
3. No later than July 19, 2022, TrueAccord shall: (A) establish and implement policies and procedures approved by the Division to ensure that only a reasonable amount of funds deemed necessary to cover service charges and fees imposed by a depository institution is advanced to and maintained in trust accounts, and (B) ensure that all trust accounts are maintained in accordance with Section 36a-811(b) of the Connecticut General Statutes, as amended by Public Act 22-94;
  4. TrueAccord shall cease and desist from soliciting financial products and services in its consumer collection agency communications to Connecticut consumers unless: (1) the creditor client has expressly authorized the solicitation of such product and service, (2) the person offering or providing such product or service is licensed in Connecticut if required, and (3) for referrals by TrueAccord to an affiliate, TrueAccord and/or its affiliate disclosed to the Connecticut consumer that TrueAccord may receive a fee in connection with the referral prior to the Connecticut consumer’s enrollment in, or purchase of, such product or service; and
  5. TrueAccord shall immediately cease and desist from collecting, attempting to collect, and receiving payment on small loans not made in compliance with Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, including but not limited to, small loans made by unlicensed lenders affiliated with federally-recognized Native American tribes.

### **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 fully resolved and the Commissioner will not take any future enforcement action against TrueAccord based upon the allegations contained herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against TrueAccord 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 TrueAccord and reflected herein is subsequently discovered to be untrue;
3. Except as specifically provided herein, TrueAccord shall not take any action, make or permit to be made any public statement, including in regulatory filings 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. Nothing in this provision affects TrueAccord's (i) testimonial obligations; or (ii) right to take any legal or factual positions in defense of litigation, in private business dealings, or in other legal, regulatory or administrative 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 TrueAccord and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of TrueAccord to apply for or obtain a license or renewal license under Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes;
5. This Consent Order shall be binding upon TrueAccord and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut  
this 28th day of June 2022.

/s/  
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Jorge L. Perez  
Banking Commissioner

I, Mark Ravanese, state on behalf of TrueAccord Corp. 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 TrueAccord Corp.; that TrueAccord Corp. agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that TrueAccord Corp. 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: Mark Ravanese  
Title: CEO  
TrueAccord Corp.

State of: Kansas

County of: Johnson

On this the 24 day of June 2022, before me, Jill Pheffer, the undersigned officer, personally appeared Mark Ravanese who acknowledged himself/herself to be the CEO of TrueAccord Corp., a corporation, and that he/she as such CEO, 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 CEO.

In witness whereof I hereunto set my hand.

/s/  
Notary Public – Jill Pheffer  
Date Commission Expires: 2/13/25