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State of Minnesota
Dept. of Commerce

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STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

In the Matter of Range Credit Bureau, Inc.
License No. 8000085

CONSENT ORDER

TO: Range Credit Bureau, Inc.
310 East Howard Street
Hibbing, MN 55746

Commissioner of Commerce Jessica Looman (Commissioner) has determined as follows:

1. The Commissioner has advised Range Credit Bureau, Inc. (Respondent) that she is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2016) and other applicable law, against Respondent's collection agency license, which has been in effect since 1969, based on the following allegations:

- a. Respondent failed to ever file a report of Unclaimed Property for funds owed to a customer who cannot be located and has failed to negotiate a refund or payment check under the Uniform Unclaimed Property Act in violation of Minn. Stat. § 345.41 (2016).
- b. Respondent failed to implement a compliance management system representative of the size, organizational complexity and risk profile of the Respondent, demonstrating incompetence in violation of Minn. Stat. § 45.027, subd. 7(a)(4) (2016).
- c. Respondent allowed unlicensed collection activity to occur in states that require a collection agency license, which demonstrates incompetence in violation of Minn. Stat. § 45.027, subd. 7(a)(4) (2016).

- d. Respondent had two unlicensed collection agency locations and allowed unlicensed collection activity to occur for several years in Minnesota from these locations in violation of Minn. Stat. § 332.33, subd. 1 (2016).
- e. Respondent failed to establish and follow procedures for screening an individual collector applicant prior to submitting an application or renewal application to the Commissioner as required under Minn. Stat. § 332.33 subd. 8 (2016).

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

3. Respondent acknowledges that any civil penalty and any resulting judgment arising from this Order is non-dischargeable in any bankruptcy proceeding. *See* 11 U.S.C. 523(a)(7) (2014) ("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...").

4. Respondent has agreed to informal disposition of this matter without a hearing as provided in Minn. Stat. § 14.59 (2016) and Minn. R. 14100.5900 (2014). It is expressly understood that this Order constitutes a settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

5. For the purposes of Minn. Stat. § 16D.17 (2016), Respondent expressly waives its right to any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 (2016) 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.

The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. § 45.027, subd. 5 (2016), that Respondent shall cease and desist from any further violations of Minn. Stat. ch. 332.

IT IS FURTHER ORDERED that Respondent, within 60 days from the effective date of this Order, shall review, revise, develop and/or implement a proper risk-based Compliance Management System (CMS) including a comprehensive written compliance program (Compliance Program) to ensure that all debt collection activities comply with all federal and state rules and regulations and otherwise ensure compliance with all Consumer Protection Laws relating to the Respondent's business. At a minimum, the Compliance Program shall provide for and include:

- a. Comprehensive, written policies and procedures designed to prevent violations of Consumer Protection Laws and prevent associated risks of harm to consumers;
- b. An effective training program that includes regular, specific, comprehensive training in Consumer Protection Laws commensurate with individual job functions and duties appropriate for individual debt collectors, administrative personnel, and all management and owners;
- c. An enhanced and well-documented internal CMS monitoring process incorporated into the daily work of individual debt collectors that is designed to detect and promptly correct compliance weaknesses within the agency and service providers;
- d. An effective complaint monitoring process, including the maintenance of adequate records of all written, oral, or electronic complaints or inquiries, formal or informal, received by the agency and all service providers of the complaints and inquiries; and

- e. An internal audit function of the Compliance Program in compliance with all Consumer Protection Laws and internal policies and procedures. Audit reports must be made available to the Commissioner upon request.

IT IS FURTHER ORDERED that Respondent, within 60 days from the effective date of this Order, shall develop and implement a proper background check policy that complies with Minnesota law and conduct background checks on all collectors whose background check is not in compliance by December 1, 2018.

IT IS FURTHER ORDERED that Respondent shall complete an internal audit of all unclaimed funds and provide proper reporting to the State of Minnesota's Unclaimed Property Division and continue to follow the reporting procedure as required under Minnesota Statutes Chapter 345 (2016). The internal audit and proper reporting to the State of Minnesota's Unclaimed Property Division shall be completed no later than November 1, 2018.

IT IS FURTHER ORDERED that Respondent shall complete the licensing process for all locations that are conducting collection activity in Minnesota within 60 days from the effective date of this Order.

IT IS FURTHER ORDERED that Respondent shall pay all investigative costs associated with this investigation.

IT IS FURTHER ORDERED THAT, Respondent shall pay a civil penalty of \$50,000 to the State of Minnesota. The Commissioner has stayed \$10,000 of this penalty. Respondent must pay \$40,000 at the time of 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 the Commissioner. 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

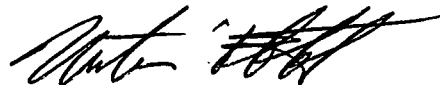
the stay, Respondent may request a hearing to challenge the factual basis for lifting the stay, but may not challenge the amount of the stayed penalty. If the stay has not been lifted by three (3) years after the effective date of this Order, the stayed portion of the civil penalty shall be vacated.

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

Dated: 10-29-2018

JESSICA LOOMAN
Commissioner

By:



MARTIN FLEISCHHACKER
Assistant Commissioner of Enforcement
Minnesota Department of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101
(651) 539-1600

CONSENT TO ENTRY OF ORDER

The undersigned, Scott Caucci, acting on behalf of Range Credit Bureau, states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he is authorized to execute this Consent Order on behalf of Range Credit Bureau; that he 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 that right. Respondent further acknowledges that Range Credit Bureau has been represented by legal counsel throughout these proceedings, or has been advised of its right to be represented by legal counsel, which right it hereby expressly waives; and that it consents to entry of this Order by the Commissioner. 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.

By: 
Scott Caucci,

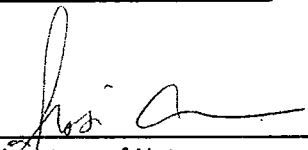
Its: Owner of Range Credit Bureau, Inc.

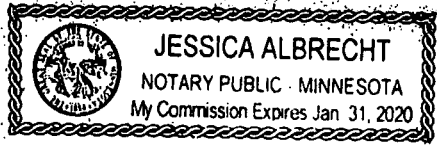
STATE OF Minnesota

COUNTY OF St. Louis

Signed or attested before me on 10/10/18, 2018

(Notary Stamp)


Signature of Notary



My Commission Expires:
1/31/20