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**STATE OF OHIO  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION**

**CONSUMER PROTECTION SECTION  
PUBLIC INSPECTION FILE**

STATE OF OHIO )  
 )  
IN THE MATTER OF: ) Docket Number: 464545  
Commonwealth Financial Systems, Inc. )

**ASSURANCE OF VOLUNTARY COMPLIANCE**

This Assurance of Voluntary Compliance ("Assurance") is entered into this 27<sup>th</sup> day of June, 2014 between Commonwealth Financial Systems, Inc. ("NCC"), and the Attorney General of the State of Ohio ("Attorney General"). For purposes of this Assurance, "NCC" means Commonwealth Financial Systems, Inc., doing business under its own name, NCC a Division of Commonwealth Financial Systems, or under any other business name, its agents, representatives, salespersons, employees, independent contractors, successors and assigns, and all persons acting in concert or participation with NCC, directly or indirectly, through any corporate device, partnership or association within the State of Ohio.

**WHEREAS**, the Attorney General, having reasonable cause to believe that NCC has engaged in acts and practices which violate the Consumer Sales Practices Act, R.C. 1345.01 et seq., has conducted an investigation pursuant to the authority granted him by Section 1345.06 of the Revised Code; and

**WHEREAS**, the Attorney General may, pursuant to R.C. 1345.06(F), enter into and accept an Assurance of Voluntary Compliance; and

**WHEREAS**, this Assurance of Voluntary Compliance is an assurance in writing by NCC of its intent to comply with the provisions of the Consumer Sales Practices Act and the Substantive Rules; and

**WHEREAS**, NCC desires to comply with all aspects of the Consumer Sales Practices Act, NCC hereby voluntarily enters into this Assurance with the Attorney General; and

**NOW THEREFORE**, in consideration of the mutual promises and conditions set forth herein, the parties hereto **AGREE** as follows:

- (1) The "Effective Date" shall mean the date indicated on the first page of this Assurance.
- (2) By accepting this written Assurance, the Attorney General agrees to terminate the current investigation of NCC's business practices and actions occurring on or before the Effective Date of this Assurance.
- (3) By giving this written Assurance, NCC agrees to comply with all the terms of this Assurance and to conduct its business in compliance with all applicable Ohio laws, including without limitation, the Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 et seq., and the Substantive Rules.

#### **BACKGROUND AND STATEMENT OF FACTS**

- (4) Commonwealth Financial Systems, Inc. is a for-profit corporation with its principal place of business at 245 Main Street, Dickson City, PA 18159.
- (5) Commonwealth Financial Systems, Inc. at times did business under the name NCC a Division of Commonwealth Financial Systems.
- (6) NCC is a "supplier" as defined in R.C. 1345.01(C) since NCC at all times relevant hereto was engaged in the business of effecting consumer transactions whether directly or indirectly by soliciting and selling goods or services to consumers in the State of Ohio for purposes that were primarily for personal, family or household use, within the meaning specified in R.C. 1345.01(A).

- (7) NCC operates a debt collection agency, and is a debt collector as defined by the Fair Debt Collection Practices Act, 15 U.S.C. §1692(a)(6).
- (8) As part of its debt collection operation, NCC calls Ohio residents to collect on debts owed by the Ohioans.
- (9) NCC has called phone numbers not connected with the debtor. NCC has not removed the phone number from its contact list when told it has the wrong number, which results in NCC calling the wrong number multiple times.
- (10) NCC has also called phone numbers of friends, relatives, and employers of the debtor. These individuals have told NCC to stop calling them, but NCC has continued to call these individuals.
- (11) NCC has not provided sufficient policies and procedures to its employees telling its employees to stop calling phone numbers when they are told that they have the wrong number or are told to stop calling a number not held by the debtor.

#### **COMPLIANCE PROVISIONS**

- (12) NCC shall develop policies and procedures designed to instruct its employees to remove phone numbers when informed (orally or in writing) that the number is not connected to the account NCC is attempting to collect on. NCC shall also develop policies and procedures to ensure that its employees follow these procedures.
- (13) NCC shall develop policies and procedures designed to instruct its employees to only call a number once when informed (orally or in writing) that the number is held by an individual associated to the account holder, but who is not the account holder. NCC shall also develop policies and procedures to ensure that its employees follow these procedures.

- (14) NCC shall make the policies and procedures developed pursuant to Paragraphs 13 and 14 available, at all times, to its employees that call Ohio debtors.
- (15) NCC shall monitor its employees to ensure that they comply with the policies and procedures developed pursuant to Paragraphs 13 and 14.

**PAYMENT TO THE STATE**

- (16) As part of the consideration for the termination of the Attorney General's investigation of NCC's business practices under the CSPA, R.C. 1345.01 et seq., NCC shall pay Twenty-Five Thousand Dollars (\$25,000.00) to the Office of the Ohio Attorney General. The payment shall be placed in the Consumer Protection Enforcement Fund of the Ohio Attorney General's Office. Payment shall be due in monthly installments of \$2,083 made on July 1, 2014, August 1, 2014, September 1, 2014, October 1, 2014, November 1, 2014, December 1, 2014, January 1, 2015, February 1, 2015, March 1, 2015, April 1, 2015, and May 1, 2015, and a final installment of \$2,087 on June 1, 2015. If NCC misses a payment deadline, the full remaining sum shall become immediately due. Payments shall be made by delivering a certified check or money order, made payable to the "Ohio Attorney General's Office," to:

**Office of Ohio Attorney General Michael DeWine  
c/o Financial Assistant  
Consumer Protection Section  
30 East Broad Street, 14<sup>th</sup> Floor  
Columbus, Ohio 43215**

**GENERAL PROVISIONS AND PENALTIES FOR FAILURE TO COMPLY**

- (17) The Attorney General may assert any claim that NCC has violated this Assurance in a separate civil action to enforce this Assurance, or to seek any other relief afforded by law,

including attorney fees, investigative costs, and a civil penalty of \$25,000.00 for each separate and appropriate violation the Attorney General asserts NCC has committed. Prior to bringing an enforcement action under this paragraph, the State will in good faith attempt to contact and confer with NCC to resolve potential violations, but may proceed with any enforcement proceeding deemed necessary following such contact.

- (18) Evidence of a violation of an Assurance of Voluntary Compliance is prima-facie evidence of an act or practice in violation of the CSPA, R.C. 1345.01 et seq., if presented after the violation in an action brought under the CSPA, R.C. 1345.01 et seq.
- (19) This Assurance shall in no way exempt NCC from any other obligations imposed by law, and nothing contained herein shall relieve NCC of any legal responsibility for any acts or practices engaged in by NCC other than those acts specifically resolved by this Assurance.
- (20) Nothing in this Assurance shall in any way preclude any investigative or enforcement action against NCC under any legal authority granted to the Attorney General:
  - (a) With respect to the transactions or occurrences which are the subject of this Assurance, if the terms of this Assurance are not fully obeyed; or
  - (b) With respect to transactions or occurrences which are not the subject of this Assurance.
- (21) NCC understands and agrees this Assurance applies to Commonwealth Financial Systems, Inc., doing business under its own name and to any other business name, including NCC a Division of Commonwealth Financial Systems, its principals, officers, directors, agents, representatives, salespersons, employees, telemarketers, independent contractors, successors and assigns, jointly and severally.

- (22) This Assurance shall be governed by the laws of the State of Ohio.
- (23) This Assurance does not constitute an approval by the Attorney General of any of NCC's business practices and NCC shall not represent directly or indirectly, or in any way whatsoever, that the Attorney General has sanctioned, condoned or approved any part or aspect of NCC's business practices.
- (24) This Assurance sets forth the entire agreement between the Attorney General and NCC (the "Parties") and supersedes all prior agreements or understandings, whether written or oral, between the Parties and/or their respective counsel with respect to the subject matter hereof. This Assurance may be amended by written agreement between the Parties, subject to any further requirements under state law.
- (25) The Parties acknowledge that no other promises, representations or agreements of any nature have been made or entered into by the Parties. The Parties further acknowledge that this Assurance constitutes a single and entire agreement that is not severable or divisible, except that if any provision herein is found to be legally insufficient or unenforceable, the remaining provisions shall continue in full force and effect.
- (26) NCC shall continue to negotiate in good faith, and resolve, through the office of the Attorney General, any consumer complaints filed with the Ohio Attorney General's Office, concerning NCC's conduct occurring prior to or after the Effective Date of this Assurance, which are brought by consumers that are discovered after entering into this Assurance.
- (27) If any provision of this Assurance comes into conflict with any newly enacted law or regulation or any change in an existing law or regulation, or there are any changes or

advancements in the industry, the parties to this Assurance may modify this Assurance with the express written consent of all parties which shall not be unreasonably withheld.

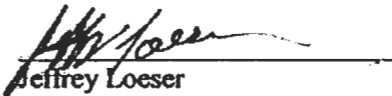
(28) This Assurance is a public record and shall be maintained in the Public Inspection File.

**WHEREFORE**, the Parties hereto affix their signatures in recognition and acceptance of the terms contained herein on this 27th day of June, 2014.

**SIGNATURES**

**Accepted:**

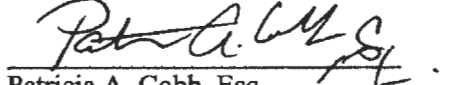
**MICHAEL DEWINE  
OHIO ATTORNEY GENERAL**

  
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