



**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF
THE LICENSURE OF
ALTUS RECEIVABLES MANAGEMENT, INC
PERMIT NO. 112861**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, ALTUS RECEIVABLES MANAGEMENT, INC. (hereinafter "ALTUS") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Department has the authority and responsibility for the enforcement of the provisions of Chapter 58 of the General Statutes of North Carolina applicable to Collection Agencies and the collection agency business; and

WHEREAS, ALTUS is a corporation organized and existing under the laws of the State of Delaware, and is doing business and has been issued a permit by the Department to operate as a foreign collection agency in North Carolina; and

WHEREAS, N.C. Gen. Stat. § 58-70-50, All collection agencies to identify themselves in correspondence. provides:

All collection agencies licensed under this Part to do the business of a collection agency in this State, shall in all correspondence with debtors use stationery or forms which contain the permit number and the true name and address of such collection agency. The permit to engage in the business of a collection agency shall at all times be prominently displayed in each office of the person, firm, corporation or association to whom or to which the permit is issued.

WHEREAS, while investigating a complaint made to the Department, it was determined that ALTUS was utilizing an incorrect permit number in correspondence to North Carolina residents in violation of N.C. Gen. Stat. § 58-70-50; in response to the Department, ALTUS alleged that such was done inadvertently as a result of a change in software made by ALTUS in February 2018; and

WHEREAS, N.C. Gen. Stat. § 58-70-25, Record of business in State provides:

(a) Each person, firm, or corporation licensed as a collection agency in North Carolina shall keep a full and correct record of all business done in this State as set forth in N.C. Gen. Stat. § 58-70-25(b). All such records pertaining to collection activity, concerning debtor records and

client accounting records, but not general operating records, shall be open to inspection by the Commissioner of Insurance or his duly authorized deputy upon demand.

(b) Every permit holder shall maintain adequate records which shall contain the items listed in N.C. Gen. Stat. § 58-70-25(b). These records must be kept separate from records of any other business and must be maintained for not less than three years after the final entry has been made; and

WHEREAS, ALTUS was only able to produce original records of debtor correspondence for cases after February 2018; and

WHEREAS, ALTUS was able to assemble a report including debtor numbers, case numbers, debtor names and placement dates prior to February 2018, ALTUS determined that it would be overly burdensome to manually locate original records for debtor correspondence sent prior to February 2018, and upon agreement by the Department, ALTUS understood such a manual review would not be necessary for efficient resolution of the matter; and

WHEREAS, while the Department is of the opinion that ALTUS likely did not intentionally violate statutory requirements, ALTUS is not able to show compliance with the provisions of N.C. Gen. Stat. §§ 58-70-50 and 58-70-25 for the periods in question, and is therefore deemed to be in violation thereof; and

WHEREAS, ALTUS neither admits or denies the violations alleged by the Department, but agrees to enter into this Agreement to resolve the matters amicably and without the necessity of a hearing or litigation; and

WHEREAS, pursuant to N.C. Gen. Stat. Sec. 58-2-70(g), the Commissioner of Insurance and the Department have the express authority to negotiate “a mutually acceptable agreement with any person as to the status of the person’s license or certificate or as to any civil penalty or restitution”; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Agreement; and

NOW THEREFORE, in consideration of the promises and agreements set out herein, the Department and ALTUS hereby agree to the following;

1. Immediately upon signing this agreement, ALTUS shall pay a civil penalty of **\$12,000.00** to the Department. The form of payment shall be certified check, cashier’s check or money order. The check or money order for the payment of this civil penalty shall be payable to the “North Carolina Department of Insurance.” ALTUS shall remit the civil penalty by certified mail, return receipt requested, to the Department along with a copy of this signed agreement. The civil penalty and the signed Agreement must be received by the Department no later than **November 30, 2020**. The civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of public schools.

2. **ALTUS** shall comply with all provisions of Chapter 58 of the General Statutes of North Carolina and Title 11 of the North Carolina Administrative Code that are applicable to **ALTUS**.
3. This Agreement does not in any way affect the Department's disciplinary power in any future or follow-up examination of **ALTUS**, or in any cases or complaints involving **ALTUS**. In the event **ALTUS** or any of its present or future locations fail to comply with this Agreement or otherwise fail to comply with the laws and rules applicable to **ALTUS**, the Department may take any administrative or legal action it is authorized to take.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner of Insurance. **ALTUS** understands that N.C. Gen. Stat. Sec. 58-70-40(c)(6) provides that a collection agency's permit may be revoked if a partner or proprietor or officer of the collection agency has violated or refused to comply with an Order of the Commissioner.
5. **ALTUS** enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter. **ALTUS** understands that it may consult with an attorney prior to entering into this Agreement.
6. This Voluntary Settlement Agreement, when finalized will be a public record and will not be treated as confidential. All permits issued by the Department to **ALTUS** shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The Department is free to disclose the contents of this Agreement to third parties upon request or pursuant to any law or policy providing for such disclosure.
7. This Agreement shall become effective when signed by **ALTUS** and the Department.

**ALTUS RECEIVABLES
MANAGEMENT, INC.
Permit # 112861**

N.C. Department of Insurance

By: 

**James McDermott
Chief Operating Officer**

By: 

**Angela Matchell
Deputy Commissioner**

Date: 11/11/2020

Date: 11/24/2020