
*
IN THE MATTER OF: *
*
GMA INVESTMENTS, LLC *
d/b/a SUMMIT RECEIVABLES *
NMLS # 1217898 *
*
(“Respondent”) *
*

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

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”, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”), Part III of Chapter 668, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes, “Small Loan Lending and Related Activities”, and Section 36a-570-1 to 36a-570-17, inclusive, of the Regulations;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), conducted an investigation and examination of the activities of Respondent, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes and Section 36a-801 of the 2018 Supplement to the General Statutes, to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes or Regulations within the jurisdiction of the Commissioner;

WHEREAS, as result of such investigation and examination, on June 25, 2018, the Commissioner issued an Order to Provide Disgorgement (“Order to Provide Disgorgement”), Notice of Intent to Issue

Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively “Notice”) against Respondent, which Notice is incorporated herein by reference;

WHEREAS, on June 26, 2018, the Notice was caused to be mailed by certified mail, return receipt requested, to Respondent (Certified Mail Nos. 70123050000069995538 and 70123050000069995545);

WHEREAS, the Notice provided Respondent with the opportunity for a hearing, and stated that if a hearing was not requested by Respondent within 14 days of its receipt, the allegations would be deemed admitted, the Order to Provide Disgorgement shall remain in effect and become permanent against Respondent, and the Commissioner would issue an order that Respondent cease and desist from violating Section 36a-53a of the Connecticut General Statutes, Section 36a-556(a) of the Connecticut General Statutes in effect on and after July 1, 2016, Section 36a-801(a) of the Connecticut General Statutes in effect prior to October 1, 2017, and Section 36a-573(c) of the Connecticut General Statutes effective June 19, 2015, including, but not limited to, enforcing such small loans by any means, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent;

WHEREAS, Respondent received the Notice on July 2, 2018, and failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Notice, with respect to the activity described therein, that Respondent acted as a consumer collection agency without the required license, in violation of Section 36a-801(a) of the Connecticut General Statutes in effect prior to October 1, 2017; received payments on at least one small loan made by a person who had not obtained a small loan license, including interest in excess of 36%, in violation of Section 36a-556(a) of the Connecticut General Statutes in effect on and after July 1, 2016 and Section 36a-573(c) of the Connecticut General Statutes effective June 19, 2015; and made a statement to the Commissioner which was false or misleading in violation of Section 36a-53a of the Connecticut General Statutes. Such violations form the basis to issue an order to cease and desist pursuant to Sections 36a-570(b) and 36a-804(b) of the Connecticut General Statutes, Section 36a-573(e) of the Connecticut General Statutes effective June 19, 2015, and Section 36a-52(a) of

the 2018 Supplement to the General Statutes, to issue an order to provide disgorgement pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-50(c) of the 2018 Supplement to the General Statutes, and to impose a civil penalty pursuant to Sections 36a-570(b) and 36a-804(b) of the Connecticut General Statutes, Section 36a-573(e) of the Connecticut General Statutes effective June 19, 2015 and Section 36a-50(a) of the 2018 Supplement to the General Statutes;

WHEREAS, also in the Notice, the Commissioner ordered, pursuant to Section 36a-50(c) of the 2018 Supplement to the General Statutes, that not later than 30 days from the date the Order to Provide Disgorgement becomes permanent, Respondent shall disgorge to Connecticut consumers all fees received as a result of collecting or receiving monies as payment for others since October 1, 2015, on any account, bill or other indebtedness from a Connecticut consumer debtor, and provide evidence of such disgorgement to the Director of the Consumer Credit Division;

WHEREAS, Section 36a-52(a) of the 2018 Supplement to the General Statutes provides, in pertinent part, that “[i]f the person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-50(a)(2) of the 2018 Supplement to the General Statutes provides, in pertinent part, that “[i]f such person does not request a hearing within the time specified in the notice or fails to appear at the hearing, the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person”;

WHEREAS, Section 36a-50(a)(3) of the 2018 Supplement to the General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party,

the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 1 through 11, inclusive, of Section II of the Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 1 through 4, inclusive, of Section III of the Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies.

2. The Commissioner finds that Respondent has engaged in acts or conduct which, pursuant to Sections 36a-570(b) and 36a-804(b) of the Connecticut General Statutes, Section 36a-573(e) of the Connecticut General Statutes effective June 19, 2015, and Section 36a-52(a) of the 2018 Supplement to the General Statutes, forms the basis to issue an order to cease and desist upon Respondent, and, pursuant to Sections 36a-570(b) and 36a-804(b) of the Connecticut General Statutes, Section 36a-573(e) of the Connecticut General Statutes effective June 19, 2015 and Section 36a-50(a) of the 2018 Supplement to the General Statutes, forms the basis to impose a civil penalty upon Respondent.

3. The Commissioner finds that the Notice was given in compliance with Sections 36a-52(a), 36a-50(a) and 36a-50(c) of the 2018 Supplement to the General Statutes and Section 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-570(b) and 36a-804(b) of the Connecticut General Statutes, Section 36a-573(e) of the Connecticut General Statutes effective June 19, 2015, and Sections 36a-52(a) and 36a-50(a) of the 2018 Supplement to the General Statutes, that:

1. GMA Investments, LLC d/b/a Summit Receivables **CEASE AND DESIST** from violating Section 36a-53a of the Connecticut General Statutes, Section 36a-556(a) of the Connecticut General Statutes in effect on and after July 1, 2016, Section 36a-801(a) of the Connecticut

General Statutes in effect prior to October 1, 2017, and Section 36a-573(c) of the Connecticut General Statutes effective June 19, 2015, including, but not limited to, enforcing such small loans by any means;

2. A **CIVIL PENALTY** of Four Hundred Thousand Dollars (\$400,000) be imposed upon GMA Investments, LLC d/b/a Summit Receivables, to be remitted to the Department of Banking by wire transfer, cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed;
3. The **ORDER TO PROVIDE DISGORGEMENT** issued on June 25, 2018, remains in effect and became permanent against GMA Investments, LLC d/b/a Summit Receivables on July 17, 2018; and
4. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 10th day of August 2018.

_____/s/_____
Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to Respondent
on August 13, 2018.

GMA Investments, LLC
d/b/a Summit Receivables
Attention: Anthony Guadagna, Managing Member
1291 Galleria Drive, Suite 170
Henderson, Nevada 89014

Certified Mail No. 7012 3050 0000 6999 5590

GMA Investments, LLC
d/b/a Summit Receivables
Attention: Kristy Macswan
Compliance Officer/Consumer Complaint
1291 Galleria Drive, Suite 170
Henderson, Nevada 89014

Certified Mail No. 7012 3050 0000 6999 5606