

CA2402542/KRJ

STATE OF MINNESOTA
COMMISSIONER OF COMMERCE

In the Matter of International Billing &
Recovery Services, Inc.

**CEASE AND DESIST ORDER
AND NOTICE OF
RIGHT TO HEARING**

TO: International Billing & Recovery Services, Inc.
620 Alden Road
Unit 208
Markham, Ontario L3R 9R7
CANADA

Minnesota Law prohibits any person from conducting within the State a collection agency or engaging within the State the business of collecting claims for others without having first applied for and obtained a collection agency license issued by the Commissioner of Commerce pursuant to Minn. Stat. § 332.33 (2004), unless such person is exempt from said licensing requirements. *See* Minn. Stat. §§ 332.31 - 332.45 (2004).

Pursuant to the above-referenced statutes, Commissioner of Commerce Glenn Wilson has determined as follows:

STATEMENT OF CHARGES

1. Respondent International Billing & Recovery Services, Inc. ("Respondent") is not licensed by the Department of Commerce ("Department") in any capacity.

2. In December 2003, Respondent sent an invoice to Anoka, Minnesota residents Robert and Julie Anderson, which attempted to collect a charge of \$5.80 "on behalf of select 900 pay-per-call companies." Respondent's invoice threatened that "[a] monthly late payment fee of \$9.00 per month will be added to each invoice."

3. In February 2004, the Andersons began receiving dunning phone calls and messages at their home that threatened legal action and demanded that they contact Respondent to settle the invoice.

4. The Andersons called Respondent in March 2004 and were informed that the alleged debt had increased to \$99.80 due to non-payment. By letter dated March 31, 2004, the Andersons disputed all obligations allegedly owed to Respondent.

5. This Order is in the public interest.

VIOLATIONS

COUNT I

By conducting business within the State as a collection agency and/or by engaging within the State in the business of collecting claims for others without having first applied for and obtained a collection agency license, Respondent has engaged in unlicensed collection agency and/or collector activities in violation of Minn. Stat. § 332.33, subd. 1 (2004).

COUNT II

By falsifying documents with the intent to deceive a debtor, creditor, or governmental agency, Respondent has engaged in prohibited practices in violation of Minn. Stat. § 332.37(3), (20) (2004).

COUNT III

By making false, deceptive, and/or misleading representations and means in connection with the collection of any debt, by threatening to take an action that cannot legally be taken or that is not intended to be taken, and by attempting to collect amounts that are not authorized or permitted by law, Respondent has engaged in prohibited practices in violation of the Fair Debt Collection Practices Act of 1977 and Minn. Stat. § 332.37(12) (2004).

NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to Minn. Stat. §§ 45.027, subd. 5a and 332.33, subd. 1 (2004), Respondent International Billing & Recovery Services, Inc. shall cease and desist from conducting within this State a collection agency or engaging within this State in the business of collecting claims for others until compliance with Minn. Stat. §§ 332.31 - 332.45 (2004) is achieved, including licensure under Minn. Stat. § 332.33, subd. 1 (2004).

IT IS FURTHER ORDERED that, pursuant to §§ 45.027, subd. 5a and 332.37 (2004), Respondent International Billing & Recovery Services, Inc. shall cease and desist from engaging in prohibited practices, including without limitation, the following: falsifying documents with the intent to deceive a debtor, creditor, or governmental agency; making false, deceptive, and/or misleading representations and means in connection with the collection of any debt; threatening to take an action that cannot legally be taken or that is not intended to be taken; and attempting to collect amounts that are not authorized or permitted by law.

IT IS FURTHER ORDERED that, pursuant to Minn. Stat. § 45.027, subd. 5a (2004), Respondent may request a hearing in this matter. Such request shall be made in writing and served upon the Commissioner, whereupon the Commissioner shall set a date for hearing within ten (10) days after receipt of the request unless Respondent and the Department by agreement waive the 10-day time period. If no hearing is requested by Respondent within thirty (30) days of service of this Order and none is ordered by the Commissioner, this Order will become permanent and will remain in effect until it is modified or vacated by the Commissioner.

IT IS FURTHER ORDERED that if a hearing is requested, this Order will remain in effect until it is modified or vacated or made permanent by further order of the Commissioner pursuant to Minn. Stat. § 45.027, subd. 5a (2004). The administrative proceeding provided by

Minn. Stat. § 45.027, subd. 5a (2004), and subsequent appellate judicial review of that administrative proceeding, constitutes the exclusive remedy for determining whether the Commissioner properly issued this Order and whether this Order should be made permanent.

IT IS FURTHER ORDERED that notwithstanding the provisions of Minn. Stat. § 45.027, subds. 5a through 5b (2004), if Respondent requests a hearing under Minn. Stat. § 45.027, subd. 5a (2004), they may, within fifteen (15) days after service of this Order, bring an action in Ramsey County District Court for issuance of an injunction to suspend enforcement of this Order pending a final decision of the Commissioner under Minn. Stat. § 45.027, subd. 5a (2004), to vacate or make permanent this Order. The Court shall determine whether to issue such an injunction based on traditional principles of temporary relief.

IT IS FURTHER ORDERED that in the event a hearing is requested in this matter, it will be held before an Administrative Law Judge to be appointed by the Chief Administrative Law Judge for the State of Minnesota, Office of Administrative Hearings, 100 Washington Square, Suite 1700, 100 Washington Avenue South, Minneapolis, Minnesota 55402, (612) 341-7600. All parties have the right to represent themselves or be represented throughout the proceedings herein by legal counsel or a person of their choice if not otherwise prohibited as the unauthorized practice of law.

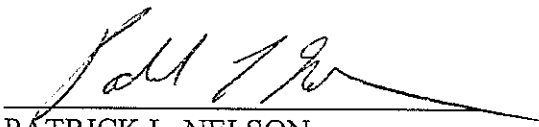
The contested case proceedings are conducted in accordance with the Minnesota Rules of Professional Conduct and the Professional Aspirations adopted by the Minnesota State Bar Association. The hearing will be conducted pursuant to the contested case procedures as prescribed in Minn. Stat. §§ 14.57-14.69 (2004), and the Rules of the Office of Administrative Hearings, Minn. R. 1400.5100-1400.8401 (2003) as amended. Failure to attend a hearing in this matter may result in the allegations of this Order being taken as true. Questions concerning the

issues raised in this Order, informal disposition of this proceeding or discovery may be directed to Assistant Attorney General Christopher M. Kaisershot, 1200 NCL Tower, 445 Minnesota Street, St. Paul, Minnesota 55101-2130, (651) 282-9992.

GLENN WILSON
Commissioner

Dated: _____

5/6/05


PATRICK L. NELSON
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Market Assurance Division

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AG: #1400268-v1