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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

In the Matter of:

INVESTIGATIVE RECOVERY LTD LLLP and
INVESTIGATIVE RECOVERY SERVICES, LLC,

Respondent.

Docket No. 2022-09-07

ORDER TO CEASE AND DESIST

The State of Idaho, Department of Finance staff (Department), pursuant to the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act), represents the following facts that constitute a basis for the issuance of an order pursuant to § 26-2244(1) of the Act, requiring INVESTIGATIVE RECOVERY LTD LIABILITY LLLP (IRLTD) AND INVESTIGATIVE RECOVERY SERVICES, LLC (IRSLLC) (collectively referred to herein as “Respondents”), to immediately cease and desist from violating the Act.

RESPONDENTS

1. Respondent Investigative Recovery LTD Liability LLLP, (IRLTD) is a Georgia limited liability limited partnership company and conducts third party collection activity from a Georgia address at 3355 Lenox Road, Suite 750, Atlanta, Georgia 30326. Michael Jagroo is listed as the General Partner and Registered Agent for IRLTD on the Georgia Secretary of State website: <https://ecorp.sos.ga.gov/BusinessSearch>.

2. Respondent Investigative Recovery Services, LLC (IRSLLC) is a Florida limited liability company and conducts third party collection activity from a Florida address 9844 Sandlefoot Boulevard, Suite C, Boca Raton, Florida 33426. Similar to IRLTD, Michael Jagroo is listed as the Principal and Registered Agent for IRSLLC on the Florida Secretary of State website: <https://dos.myflorida.com/sunbiz/>.

3. The Respondents' website, <https://investigative-services.com/>, lists the name "Investigative Recovery" and may show an interchangeable relationship between IRLTD and IRSLLC at the bottom of the web page: "©INVESTIGATIVE RECOVERY." The website lists the phone number, 888-325-6050 and displays the physical address of: "3355 lenox rd, suite 750, atlanta, GA 30326."

4. The Respondent(s) represent to customers on this website the following: "Whether it be pre-collection services to bring accounts current at the earliest stage of delinquency, full contingency collection services to recover monies owed on consumer

accounts or business to business transactions, Investigative Recovery has the experience, staff and technology to supplement our clients' internal efforts or take over where they leave off."

5. Neither IRLTD nor IRSLLC have registered to conduct business in Idaho with the Idaho Secretary of State, nor have either of them ever been issued any license by the Department under the Act.

ACTIVITY

6. On March 3, 2021, Idaho resident M.S. submitted a complaint to the Department regarding collection phone calls he received from a representative of "Investigator Services." M.S. indicated that the call was placed from an Idaho phone number, (208) 829-1984, with a call back number of (888) 325-6050. (*Important to note, the Idaho number may be a spoofed local number, designed to trick the receiver into answering the call.*) Under the "Financial Institution or Company Information" section of the complaint form, M.S. provided more detailed information by referencing the company as "Investigative Recovery Services, LLC" and including IRSLLC's Florida address (M.S. used a different spelling for the street name in the address).

7. M.S. explained that IRSLLC stated that it had a court summons, however, M.S. asserted that he had received nothing in the mail from IRSLLC.

8. After determining that IRSLLC was not licensed by the Department to conduct collection business, the Department sent a certified stop-letter to IRSLLC on March 11, 2021, regarding IRSLLC's unlicensed debt collection activity in Idaho. In that letter, the Department requested all IRSLLC's documents relating to the assignment of the debt against M.S. The Department also directed IRSLLC to cease all collection activities in Idaho and to provide information necessary for the Department to determine the extent of IRSLLC's unlicensed debt

collection activities in Idaho. Further, that letter advised IRSLLC of the license requirement for engaging in collection activities regulated under the Act in Idaho, and informed IRSLLC of the possible sanctions under the Act for unlicensed activity. The letter also informed IRSLLC of the process for obtaining a license. The Department required that Respondents provide all the requested information by March 31, 2021, but the letter was returned as undeliverable.

9. On April 1, 2021, the Department sent a second certified stop-letter, along with a copy of the letter dated March 11, 2021, requesting that IRSLLC respond by April 15, 2021, to its alleged unlicensed third-party collection activities in Idaho. The Department's letter was again returned as undeliverable.

10. Due to having no physical evidence and definitive ownership or locational information demonstrating IRSLLC's collection activity in Idaho, M.S.'s complaint was closed by the Department.

11. On June 14, 2022, the Department received a second complaint from M.S. regarding "Investigative Recovery." In materials submitted with this second complaint, M.S. explained that after applying for a loan through a financial institution, he discovered that a collection account had been placed on his credit report by "Investigative Recovery." Included with M.S.'s complaint was a copy of the credit report printout that he received from the financial institution, which listed a collection account placed by "Investigative Recovery" in June 2022 for \$440. M.S. again stated in this most recent complaint that he'd never received anything in writing from Investigative Recovery. He also indicated that he has never done business with the original creditor and has not been able to dispute the debt. He also, again,

provided the Florida address for IRSLLC (he again used a different spelling for the street name in the address).

12. On July 13, 2022, the Department sent a certified stop-letter to IRSLLC at the Georgia address and carbon copied IRLTD at the Florida address regarding its unlicensed debt collection activity in Idaho. In that letter, the Department again requested all its documents relating to the assignment of the debt against M.S. The Department also required IRSLLC to cease all collection activities in Idaho and to provide information necessary for the Department to determine the extent of IRSLLC unlicensed debt collection activities in Idaho. Further, that letter advised IRSLLC of the license requirement for engaging in collection activities regulated under the Act in Idaho, and informed IRSLLC of the possible sanctions under the Act for unlicensed activity. The letter also informed IRSLLC of the process for obtaining a license. The Department required that IRSLLC provide all the requested information by August 17, 2022. Per the United States Postal Service tracking records, the letter sent to the Georgia address was successfully delivered, but the letter sent to Florida was returned as undeliverable.

13. After no response to the July letter was received, on August 17, 2022, the Department sent a second certified stop-letter, along with copies of the letter dated July 13, 2022, requesting that Respondents respond by August 31, 2022, to Respondents' alleged unlicensed third-party collection activities in Idaho. Like the July 13, 2022, letters, it was verified that the letter sent to the Georgia address was successfully delivered, but the letter sent to Florida was returned as undeliverable.

14. To date, the Respondents have failed to respond to the Department's correspondence or file an application for licensure with the Department.

15. Based on information provided to the Department and described above, the Respondents have engaged in debt collection activity in Idaho and are not licensed, in violation of the Act.

CONCLUSIONS OF LAW AND VIOLATIONS

UNLICENSED COLLECTION ACTIVITY IN IDAHO

16. The allegations set forth in paragraphs 1 through 15 above are fully incorporated herein by this reference.

17. Idaho Code § 26-2223 provides as follows, in pertinent part:

26-2223. Collection agency, debt counselor, credit counselor, or credit repair organization – License required. – No person shall without complying with the terms of this act and obtaining a license from the director:

- (1) Operate as a collection agency, debt counselor, credit counselor, or credit repair organization in this state.
 - (2) Engage, either directly or indirectly, in this state in the business of collecting or receiving payment for others of any account, bill, claim or other indebtedness.
 - (3) Solicit or advertise in this state to collect or receive payment for another of any account, bill, claim or other indebtedness.
- * * *
- (5) Engage in any activity in this state which indicates, directly or indirectly, that a third party is or may be involved in effecting any collection.
 - (6) Engage or offer to engage in this state, directly or indirectly, in the business of collecting any form of indebtedness for that person's own account if the indebtedness was acquired from another person and if the indebtedness was either delinquent or in default at the time it was acquired.

18. "Collection activities" is defined in Idaho Code § 26-2222(3) as the activities enumerated in Idaho Code § 26-2223.

19. Respondents' acts of engaging in collection activities in Idaho without a license, as referenced above, constitute violations of Idaho Code § 26-2223. Each contact made by

Respondents to the Idaho residents for the purposes of collection constitutes a separate violation.

20. Idaho Code § 26-2229A(1) provides: “Every licensee or person required to be licensed under this act and its agents shall deal openly, fairly, and honestly without deception in the conduct of its business activities in this state under this chapter.” Idaho Code § 26-2229A(9) provides:

No person licensed or required to be licensed under this chapter shall make a representation or statement of material fact, or omit to state a material fact, in connection with the offer, sale, or performance of any service authorized under this chapter, if the representation, statement, or omission is false or misleading or has the tendency or capacity to be misleading.

21. The acts of Respondents in representing that Idaho consumer M.S. had a debt that was owed to Respondents violated Idaho Code § 26-2229A.

22. Idaho Code § 26-2244(1) provides that whenever it appears to the Director that it is in the public interest, he may order any person to cease and desist from acts, practices, or omissions which constitute a violation of the Act.

ORDER

The Director, having reviewed the foregoing, good cause being shown, and the public interest being served thereby,

NOW, THEREFORE, the Director HEREBY FINDS that Respondents have violated the Idaho Collection Agency Act as set forth above.

Pursuant to Idaho Code § 26-2244(1), IT IS HEREBY ORDERED that Respondents and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which

constitute a violation of the Act, including specifically from engaging in collection activity in Idaho without the license required by the Act.

This ORDER TO CEASE AND DESIST is effective upon issuance.

IT IS SO ORDERED.

DATED this 5th day of October 2022.



STATE OF IDAHO
DEPARTMENT OF FINANCE



PATRICIA R. PERKINS, Director

NOTICE

Respondents are HEREBY NOTIFIED that this ORDER TO CEASE AND DESIST is a final order of the Director.

Respondents may file a motion for reconsideration or request for hearing concerning this final order within twenty-one (21) days of the service date of this order. Any such motion for reconsideration or request for hearing must be in writing, addressed to:

Erin Van Engelen
Consumer Finance Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of such motion for reconsideration or request for a hearing shall also be served on the Department's counsel, Erick M. Shaner, Deputy Attorney General, at the same address.

Alternatively, the Respondents may email any request for reconsideration or hearing to:
CFLegal@finance.idaho.gov.

The Department will dispose of a motion for reconsideration within twenty-one (21) days of the receipt of a motion for reconsideration, or the motion will be considered denied by operation of law. Idaho Code § 67-5246(4); Idaho Rules of Administrative Procedure of the Attorney General (IRAP) at IDAPA 4.11.01.740.02.a.

Should Respondents make a timely request for a hearing, the Director will vacate this final order and appoint a hearing officer to review the matter de novo and issue a preliminary order and the matter shall proceed pursuant to the Administrative Procedures Act and IRAP.

CERTIFICATE OF SERVICE

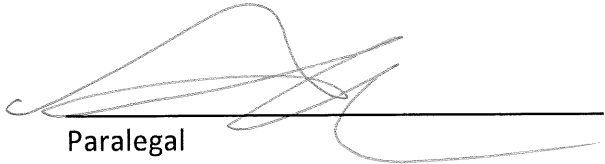
I HEREBY CERTIFY that on this 6th day of October 2022, I caused a true and correct copy of the foregoing fully-executed ORDER TO CEASE AND DESIST to be served on the following by the designated means:

Investigative Recovery LLLP
3355 Lenox Rd, Ste 750
Atlanta, GA 30326

- U.S. mail, postage prepaid
- certified mail
- facsimile:
- email:

Investigative Recovery Services, LLC
9844 Sandlefoot Boulevard, Suite C,
Boca Raton, FL 33426

- U.S. mail, postage prepaid
- certified mail
- facsimile:
- email:



Paralegal