

**MINUTES OF
THE STATE BOARD OF COLLECTION AGENCIES
MEETING**

February 19, 2014

A meeting of the State Board of Collection Agencies was held on February 19, 2013 at 10:00 a.m. in the Board Room of Lafayette Square located at 523 South Louisiana Street in Little Rock, Arkansas. Chairman Rusty Guinn, Vice Chairman Jerry Markham, Secretary Sandra Jackson, Executive Director Peggy Matson and Assistant Attorney General Brandon Robinson were present. Harold Cook and J.R. Andrews of Cook Law Firm were also in attendance

Rusty Guinn, Chairman of the Board, called the meeting to order.

The Chairman noted that notice of the meeting had been given in accordance with the Arkansas Freedom of Information Act.

Consideration of Minutes. The Board reviewed the Minutes from its meeting held on December 4, 2013. Ms. Jackson made a motion, seconded by Mr. Markham, that the minutes be approved as presented. The motion carried.

Payment of Board Stipends and Travel Reimbursements. The Board voted unanimously to authorize payment to its members of a stipend, not to exceed the amount allowed by Arkansas Code Annotated *25-16-903 through 905, per official meeting attended.

Precision Recovery Analytics, Inc. v. Owen McMullen and Lillie McMullen. Ms. Matson stated that Mr. Cook who represents Ms. McMullen had asked that the Board make a claim on the surety bond that Precision Recovery Analytics, Inc. posted with the Board to obtain and maintain a collection agency license. Ms. McMullen obtained a judgment against Precision Recovery Analytics, Inc. but had been unable to collect it to help satisfy a judgment that Mr. Cook had obtained against Precision Recovery Analytics, Inc. on behalf of Ms. McMullen.

Andrews and Cook Law Firm v. State Board of Collection Agencies. Ms. Matson reported that the case has not been set for a hearing and that although Mr. Todd Wooten, the plaintiffs' attorney, had agreed to dismiss former Board members Robert Watkins and Stephen Copley from the case he has not done so.

Cach, LLC v. McFarland v. Square Two Financial et al. Ms. Matson reported that she gave a deposition in this case on January 13, 2014.

Patty E. Simpson v. Cavalry SPV, LLC, as assignee of HSBC Bank Nevada, N.A./Orchard Bank. Ms. Simpson had filed suit against Cavalry SPV, LLC in U.S. District Court. The court has certified these two questions to the Supreme Court of Arkansas: Whether an entity that purchases delinquent accounts and then retains a licensed Arkansas lawyer to collect on the delinquent

accounts and file lawsuits on its behalf in Arkansas is "attempt[ing] to collect," thus meeting the definition of "collection agency," pursuant to Arkansas Code Annotated section 17-24-101? and

Whether an entity that purchases delinquent accounts and files lawsuits on its behalf in Arkansas is "attempt[ing] to collect" and, thus, is required to be licensed by the Arkansas State Board of Collection Agencies pursuant to Arkansas Code Annotated section 17-24-301(4)?

Financial Report. Ms. Matson presented a report of the Board's checking account and certificate of deposit.

Consideration of Change in Internet Provider. Ms. Matson reported that she is contacting internet providers in an effort to find dependable service for the Board's database that is hosted in a cloud. The Board's current service is not dependable which is causing the database to "crash."

NACARA's Proposed Meeting Dates. The annual meeting of the North American Collection Agency Regulatory Association is set tentatively for September 28-30 in Boise, Idaho.

There being no further business, Ms. Jackson made a motion that the meeting be adjourned. Mr. Markham seconded the motion which then was passed unanimously. The meeting adjourned at 10:30 a.m.