

**STATE OF FLORIDA  
DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES**

**DEPARTMENT OF AGRICULTURE AND  
CONSUMER SERVICES,**

**Petitioner,**

v.

**DOAH Case No. 08-2397**

**NATIONAL CONSUMER SERVICES, INC.,**

**DACS Case No. 0710-29121**

**Respondent.**

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**SETTLEMENT AGREEMENT**

Petitioner, the Department of Agriculture and Consumer Services (“Department”), and Respondent, National Consumer Services, Inc., stipulate and agree as follows:

1. This Agreement is entered into between the parties for the purpose of resolving all issues arising in the above-captioned case.

**Findings of Fact**

2. On April 16, 2008, the Department conducted an investigation and found Respondent conducting business at 1301 Seminole Blvd., Building C, Ste. 126, Largo, FL 33770.

3. At the time of the investigation Sal Cannatella was the general manager of the Respondent responsible for the operations at the foregoing business location.

4. Sixteen of Respondent’s employees at the above location made commercial telephone solicitations on behalf of Respondent.

5. At the time of the investigation Respondent was not registered with the Department. Respondent also was not licensed by the Office of Financial Regulation under Chapters 516 or 520, Part II, Florida Statutes, nor was Respondent a consumer finance lender supervised by any other governmental entity.

6. During the investigation Respondent produced a consumer finance license (#510102) and a retail installment seller license (#510522), both in the name of Interface Management, Inc. ("Interface"), and claimed to be an affiliate of Interface. Both licenses were issued by the Office of Financial Regulation. Respondent also produced a purported contract with an entity known as "Beginning Again, Inc."

7. Respondent was a not a subsidiary of nor controlled Interface or Beginning Again.

### Conclusions of Law

8. The Department has authority to enforce Chapter 501, Part IV, Florida Statutes, the Florida Telemarketing Act ("Act") and to enter this Settlement Agreement. §§120.57(4) and 501.612, Fla. Stat. (2007).

9. Respondent claimed it was exempt from the Act under §501.604(7), Florida Statutes, which states:

**501.604 Exemptions.**--The provisions of this part, except ss. 501.608 and 501.616(6) and (7), do not apply to:

...  
(7) Any supervised financial institution or parent, subsidiary, or affiliate thereof. As used in this section, "supervised financial institution" means any commercial bank, trust company, savings and loan association, mutual savings bank, credit union, industrial loan company, consumer finance lender, commercial finance lender, or insurer, provided that the institution is subject to supervision by an official or agency of this state, of any state, or of the United States. For the purposes of this exemption, "affiliate" means a person who directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, a supervised financial institution.

10. Chapter 516, Florida Statutes, states in pertinent part:

**516.02 Loans; lines of credit; rate of interest; license.--**

(1) A person must not engage in the business of making consumer finance loans unless she or he is authorized to do so under this chapter or other statutes and unless the person first obtains a license from the office.

**516.05 License.—**

...

(3) Only one place of business for the purpose of making loans under this chapter may be maintained under one license, but the office may issue additional licenses to a licensee upon compliance with all the provisions of this chapter governing issuance of a single license.

11. Chapter 520, Part II, Florida Statutes, states in pertinent part:

**520.32 Licenses.--**

(1) A person may not engage in or transact the business of a retail seller engaging in retail installment transactions as defined in this part or operate a branch of such business without a license, except that a license is not required for a retail seller whose retail installment transactions are limited to the honoring of credit cards issued by dealers in oil and petroleum products licensed to do business in this state.

12. Whether Respondent claimed to be a “supervised financial institution” or an affiliate of Interface or Beginning Again, Respondent was required to have a separate license for its business location under Chapters 516 or 520, Part II, Florida Statutes. By failing to do so, Respondent was not exempt from the Act and was required to be licensed. §§501.604(7), 501.605(1), Fla. Stat. (2007).

**Settlement Terms**

13. To resolve these matters without further legal proceedings, the Department and Respondent expressly agree as follows:

- a. Respondent shall pay a total of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00). Payment is due upon Respondent’s execution and return of this Settlement Agreement.
- b. Respondent shall not engage in commercial telephone solicitation without first being properly exempt or licensed under the Act.
- c. If Respondent is found engaging in commercial telephone solicitation without

being properly licensed or exempt under the Act, Respondent admits such conduct constitutes an immediate threat to the safety and welfare of Florida consumers and consents to the immediate entry and service of an order by the Department requiring Respondent to cease and desist all activities in violation of the Act. Respondent waives all contested issues of material fact under §120.57(1), Florida Statutes, and consents to proceedings only under §120.57(2), Florida Statutes. In such proceedings, if Respondent is found in violation of the Act, Respondent consents to the entry of a final order imposing administrative fines of \$10,000.00 per violation.

14. This Settlement Agreement shall be construed in accordance with Florida law.

15. Each party shall bear their own costs and fees.

16. Venue for any action arising from this Settlement Agreement shall be in Leon County, Florida.

17. This Settlement Agreement constitutes the entire agreement between the Department and Respondent, including anyone acting for, associated with, or employed by either of them, concerning only the matters specified above and supersedes any prior discussions, agreements, or understandings; there are no promises, representations, or agreements between the parties other than as set forth herein. No modification or waiver of any provision shall be valid unless a written amendment to the Settlement Agreement is completed and properly executed by the parties.

18. This is an agreement of settlement and compromise, recognizing the parties may have different or incorrect, information, understandings, or contentions as to facts and law, with each party compromising and settling all such information, understandings, and contentions as to fact and law, so that no misunderstanding or misinformation shall be grounds for rescission of this Settlement Agreement.

19. Respondent expressly waives in this matter its rights to any hearing under Chapter 120, Florida Statutes, the making of findings of fact and conclusions of law by the Department, and all other proceedings, including appeals, to which Respondent may be entitled regarding any and all issues raised in this case.

20. This Settlement Agreement is and shall be deemed jointly drafted and written by all parties to it and shall not be construed or interpreted against any party.

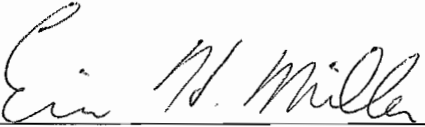
21. To the extent any provision of this Settlement Agreement is prohibited by law for any reason such prohibition shall not affect any other provision of this Settlement Agreement.

22. This Settlement Agreement shall inure to the benefit of and be binding on each party's successors, assigns, heirs, administrators, representatives, and trustees.

23. All times stated herein are of the essence of this Settlement Agreement.


24. **Approval Authority:** This Settlement Agreement shall be valid and binding on the Department only upon acceptance and approval of its terms as shown through the execution below by the Department's authorized representative.

**Florida Department of Agriculture  
and Consumer Services**

By:   
Eric H. Miller, Senior Attorney  
2005 Apalachee Parkway  
Tallahassee, FL 32301  
(850) 410-3775  
(850) 410-3797 (facsimile)

Date: 4/15/2009

**National Consumer Services, Inc.**

By:  G.M.  
Print Name: SAL J CANNATELLA G.M.

Date: 12/17/08