

BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
OF THE STATE OF CALIFORNIA

In the Matter of:	)	DCLA LICENSE NO.: 11434-99
	)	
THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,	)	ACCUSATION
	)	
Complainant,	)	
	)	
v.	)	
	)	
R.M. COBB AND ASSOCIATES, LLC,	)	
	)	
Respondent.	)	
	)	

The Complainant, the Commissioner of Financial Protection and Innovation (Commissioner) of the Department of Financial Protection and Innovation (Department) is informed and believes, and based upon such information and belief, alleges and charges R.M. Cobb and Associates, LLC (Respondent) as follows:

**I.**

**Introduction**

1. The Commissioner has jurisdiction over the licensing and regulation of persons engaged in the business of debt collection in California under the Debt Collection Licensing Act (DCLA) (Cal. Fin. Code §§ 100000-100025) and the rules and regulations promulgated thereunder.
2. Respondent is an Alabama limited liability company.
3. Respondent is a debt collector licensed by the Commissioner under the DCLA with license number(s) 11434-99. Respondent’s principal place of business is 301 Beacon Parkway West, Suite 100, Birmingham, Alabama 35209.

1 II.

2 **Factual Background**

3 4. California Financial Code section 100021(a) requires all DCLA licensees to file an  
4 annual report with the Commissioner, on or before March 15, that contains all relevant information  
5 that the Commissioner reasonably requires concerning the business and operations conducted by the  
6 licensee in the state during the preceding calendar year, including information regarding collection  
7 activity (Annual Report).

8 5. Pursuant to California Financial Code section 100015(a), the Commissioner is  
9 authorized to establish relationships or contracts with the Nationwide Multistate Licensing System  
10 & Registry (NMLS)<sup>1</sup> to collect and maintain records and process transaction fees or other fees  
11 related to licensees or other persons subject to this division. Pursuant to California Code of  
12 Regulations, title 10, section 1850.16, the licensee shall establish an email for communications  
13 from the Commissioner (Designated Email Address). The email account shall be established and  
14 monitored in accordance with the requirements in California Financial Code section 331.5. By  
15 registering the Designated Email Address, the applicant consents to receive information from the  
16 Commissioner at that email address, including, but not limited to, assessment notices.

17 6. On September 16, 2024, the Commissioner instructed all DCLA licensees via their  
18 Designated Email Address to verify that their current Designated Email Address meets the  
19 requirements and to update as needed.

20 7. On October 17, 2024, the Commissioner notified all DCLA licensees who had not  
21 yet provided a Designated Email Address via the email listed under Primary Company Contact on  
22 NMLS that they must provide a Designated Email Address immediately.

23 8. On December 6, 2024, the Commissioner provided all DCLA licensees via the  
24 Designated Email Address with a sample of the Annual Report stating that detailed filing  
25 instructions and access to the Annual Report will be provided on January 2, 2025. The email  
26

27 <sup>1</sup> NMLS stands for Nationwide Multistate Licensing System & Registry and is the system of record for non-depository,  
28 financial services licensing or registration in participating agencies, including the District of Columbia and U.S.  
Territories of Puerto Rico, the U.S. Virgin Islands, and Guam. In these jurisdictions, NMLS is the official system for  
companies and individuals seeking to apply for, amend, renew and surrender licenses authorities managed through  
NMLS.

1 reminded DCLA licensees that if they were licensed as of December 31, 2024, they must file the  
2 Annual Report via the DFPI Self-Service Portal by March 15, 2025.

3 9. Also on December 6, 2024, the Commissioner again notified all DCLA licensees  
4 who had not yet provided a Designated Email Address via the email listed under Primary Company  
5 Contact on NMLS that they must provide a Designated Email Address immediately. The  
6 Commissioner also provided these licensees with a sample of the Annual Report stating that  
7 detailed filing instructions and access to the Annual Report will be provided on January 2, 2025, but  
8 they will not receive detailed filing instructions and access to the annual report without a  
9 Designated Email Address. The email reminded the DCLA licensees that if they were licensed as  
10 of December 31, 2024, they must file the Annual Report via the DFPI Self-Service Portal by March  
11 15, 2025.

12 10. On January 3, 2025, the Commissioner notified all DCLA licensees via the  
13 Designated Email Address that the Annual Report was accessible via the DFPI Self-Service Portal  
14 and provided instructions for filing the Annual Report.

15 11. On February 14, 2025, the Commissioner again reminded all DCLA licensees via the  
16 Designated Email Address that all DCLA licensees must file the Annual Report by the deadline of  
17 March 15, 2025.

18 12. On March 3, 2025, the Commissioner gave a final reminder to all DCLA licensees  
19 via the Designated Email Address that all DCLA licensees who were licensed as of December 31,  
20 2024, must file the Annual Report by the deadline of March 15, 2025, stating that failure to file the  
21 Annual Report may subject the DCLA licensee to suspension, revocation, penalties, or other  
22 enforcement action.

23 13. As of March 16, 2025, Respondent, who was licensed as of March 27, 2024, had not  
24 filed its Annual Report with the Commissioner, in violation of California Financial Code section  
25 100021(a). As a result, on March 18, 2025, the Commissioner issued a Notice of Failure to File  
26 Annual Report by March 15, 2025 (Failure Notice) to Respondent via certified mail and Designated  
27 Email Address or the email listed under Company Contact on NMLS notifying Respondent that the  
28 Department will issue a Desist and Refrain Order and Order Assessing Penalties under California

1 Financial Code section 90015(c) and (d)(1) and will also move to revoke Respondent’s DCLA  
2 license under California Financial Code sections 100003(b)(3) and 100003.3(b)(1) if the Annual  
3 Report is not filed before March 28, 2025.

4 14. On March 27, 2025, Respondent filed its Annual Report. Pursuant to California  
5 Financial Code section 90012(b)(8), a penalty may be imposed for any unlawful act or practice with  
6 respect to consumer financial products or services in violation of California Financial Code sections  
7 90003(a)(1), (a)(2), and 100021(a).

8 15. Therefore, on April 11, 2025, the Commissioner issued a Desist and Refrain Order  
9 and Order Assessing Penalties pursuant to California Financial Code section 90015(c) and (d)(1)  
10 (Order).

11 16. On or around April 16, 2025, the Department served the Order on Respondent via  
12 certified mail and Designated Email Address or the email listed under Company Contact on NMLS.  
13 The Department has not received a request for a hearing regarding the Order and the time to request  
14 a hearing has expired. As such, the Order is a final order.

15 17. The Order directed Respondent to pay a penalty of \$5,000.00 within 30 days of the  
16 date of the Order, or by no later than May 11, 2025. As of the current date Respondent has not paid  
17 the penalty pursuant to the Order.

18 **III.**

19 **Applicable Laws**

20 18. California Financial Code section 100003 provides, in pertinent part:

21 (b) Without limitation, the functions, powers, and duties of the  
22 commissioner include all of the following:

23 (3) To revoke or suspend any license for a violation of this division or a  
24 violation of Title 1.6C (commencing with Section 1788) or Title 1.6C.5  
(commencing with Section 1788.50) of Part 4 of Division 3 of the Civil  
Code . . . .

25 19. California Financial Code section 100003.3 provides, in pertinent part:

26 (b) The commissioner may suspend or revoke a license if, after notice and  
27 an opportunity for hearing, the commissioner finds any of the following:

28 (1) The licensee violated this division or a regulation adopted or an order  
issued under this division . . .

(6) Any fact or condition exists that, if it had existed at the time that the

licensee applied for the license, would have been grounds for denying the application.

20. California Financial Code section 100021 provides:

(a) A licensee shall file an annual report with the commissioner, on or before March 15, that contains all relevant information that the commissioner reasonably requires concerning the business and operations conducted by the licensee in the state during the preceding calendar year, including information regarding collection activity. The report shall, at minimum, require disclosure of all of the following information:

(1) The total number of California debtor accounts purchased or collected on in the preceding year.

(2) The total dollar amount of California debtor accounts purchased in the preceding year.

(3) The face value dollar amount of California debtor accounts in the licensee’s portfolio in the preceding year.

(4) The total dollar amount of California debtor accounts collected in the preceding year, and the total dollar amount of outstanding debt that remains uncollected.

(5) The total dollar amount of net proceeds generated by California debtor accounts in the preceding year.

(6) Whether or not the licensee is acting as a debt collector, debt buyer, or both.

(7) The case number of any action in which the licensee was held liable by final judgment under Title 1.6C (commencing with Section 1788) or Title 1.6C.5 (commencing with Section 1788.50) of Part 4 of Division 3 of the Civil Code.

(b) The individual annual reports filed pursuant to this section shall be made available to the public for inspection.

(c) The report shall be made under oath and in the form prescribed by the commissioner.

(d) A licensee shall make other special reports that may be required by the commissioner.

**IV.**

**Conclusion**

The Commissioner finds that, by reason of the foregoing, Respondent has violated California Financial Code section 100021(a). In addition, Respondent has violated an order by the Commissioner, which is a fact or condition that, if it had existed at the time Respondent applied for the license, would have been grounds for denying the application under California financial Code section 100003.3(b)(6). Based thereon, grounds exist pursuant to California Financial Code

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sections 100003(b)(3) and 100003.3(b)(1) and (b)(6) to revoke Respondent’s DCLA license.

WHEREFORE, IT IS PRAYED that the DCLA license number 11434-99 of R.M. Cobb and Associates, LLC be revoked.

Dated: May 22, 2025  
Sacramento, California

KHALIL MOHSENI  
Commissioner of Financial Protection and Innovation



By: \_\_\_\_\_  
MELINDA LEE  
Deputy Commissioner  
Debt Collection Licensing Act