

STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE DEPARTMENT OF COMMERCE

In the Matter of Cambridge, Huxley &  
Associates and its owner, Moya Kovic

**FINDINGS OF FACT,  
CONCLUSIONS AND  
RECOMMENDATION**

This matter came before Administrative Law Judge (ALJ) Richard C. Luis for a Prehearing Conference on September 23, 2010, at the Office of Administrative Hearings in St. Paul. The OAH record closed at the conclusion of the Prehearing Conference.

Michael J. Tostengard, Assistant Attorney General, 1200 Bremer Tower, 445 Minnesota Street, St. Paul, MN 55101-2130, appeared on behalf of the Minnesota Department of Commerce (Department). There was no appearance by or on behalf of Cambridge, Huxley & Associates and/or its owner, Moya Kovic (Respondents).

**STATEMENT OF THE ISSUES**

1. Whether the Respondents violated Minn. Stat. § 332.37, subd. 12 and the Fair Debt Collection Practices Act, 15 U.S.C. 1692g(a) by failing to send proper notices while attempting to collect a debt;
2. Whether Respondents violated Minn. Stat. § 332.33, by engaging in unlicensed collection agency activity;
3. Whether Respondents violated Minn. Stat. § 45.027, subd. 1.a. by failing to respond to requests for information from the Department;
4. Whether the Respondents violated Minn. Stat. § 332.37, subd. 12 and the Fair Debt Collection Practices Act by using false, deceptive or misleading representations in connection with collection of a debt;
5. Whether the Respondents violated Minn. Stat. § 332.37, subd. 15 and the Fair Debt Collection Practices Act by contacting an alleged debtor's family members and employer without authorization;
6. Whether the Respondents violated Minn. Stat. § 332.37, subd. 12 and the Fair Debt Collection Practices Act by using false, deceptive or misleading representations in connection with the collection of a debt, i.e., threatening arrest, sheriff involvement and various other legal actions;

7. Whether Respondents violated Minn. Stat. § 332.37, subd. 12 and the Fair Debt Collection Practices Act by failing to validate alleged debts upon the request of the alleged debtor while attempting to collect;

8. Whether the Respondents violated Minn. Stat. § 332.37, subd. 12 and the Fair Debt Collection Practices Act when Respondent Cambridge Huxley advertised their practices as a law firm, thus using false, deceptive or misleading representations in connection with the collection of debts; and

9. Whether the Respondents violated Minn. Stat. §§ 332.37(20) and 45.027 by providing false information to the Department.

Based on the proceedings herein, the Administrative Law Judge makes the following:

### **FINDINGS OF FACT**

1. On August 2, 2010, the Department served by First Class Mail a copy of the Notice of and Order for Hearing, Order for Prehearing Conference, and Statement of Charges on the Respondents at its last known address.

2. The Notice scheduled a Prehearing Conference in this matter on September 23, 2010, at the Office of Administrative Hearings in St. Paul, MN.

3. The Notice specifically notified the Respondents that failure to appear at the Prehearing Conference may result in a finding that Respondents are in default, that the Department's allegations in the Statement of Charges be deemed as accepted as true, and that its proposed disciplinary action may be upheld.

4. Respondents did not appear for the Prehearing Conference, nor did the Respondents contact the Administrative Law Judge, the Department, or the Office of Attorney General prior to the Prehearing Conference to seek a continuance or request for any other relief.

5. Because the Respondents failed to appear for the Prehearing Conference, they are in default.

6. Pursuant to Minn. R. 1400.6000, the allegations taken in the Notice and Order for Prehearing Conference are taken as true and incorporated by reference into these Findings of Fact.

Based on the Findings of Fact, the Administrative Law Judge makes the following:

## CONCLUSIONS

1. The Administrative Law Judge and the Commissioner of Commerce are authorized to consider the charges against the Respondents under Minn. Stat. §§ 14.50, 45.27 and 332.37.
2. The Respondents received appropriate notice in this matter, and all procedural requirements have been fulfilled.
3. Under Minn. R. 1400.6000, a contested case may be decided against a party who defaults.
4. The Respondents is in default as a result of its failure to appear at the Prehearing Conference.
5. The Respondents violated Minn. Stat. §§ 45.027, subd. 1a, and 332.37, subds. 12 and 15, and the Fair Debt Collection Practices Act, 15 U.S.C.1692c(3), e, and g.
6. Disciplinary action against the Respondents is in the public interest.
7. It is appropriate to take disciplinary action against the Respondents for the violations of the statutes noted herein.

Based on the Conclusions, the Administrative Law Judge makes the following:

## RECOMMENDATION

**IT IS RECOMMENDED** that the Commissioner take appropriate disciplinary action against the Respondents.

Dated this 6th day of October, 2010

s/Richard C. Luis  
\_\_\_\_\_  
RICHARD C. LUIS  
Administrative Law Judge

Reported: Default

## NOTICE

This report is a recommendation, not a final decision. The Commissioner of Commerce will make the final decision after a review of the record. The Commissioner may adopt, reject or modify the Findings of Fact, Conclusions, and Recommendations. Under Minn. Stat. § 14.61, the final decision of the Commissioner shall not be made until this Report has been made available to the parties to the proceeding for at least ten days. An opportunity must be afforded to each party adversely affected by this Report to file exceptions and present argument to the Commissioner. Parties should contact Glenn Wilson, Commissioner of the Department of Commerce, 85 Seventh Place East, Suite 500, St. Paul, MN 55101, to learn the procedure for filing exceptions or presenting argument.

If the Commissioner fails to issue a final decision within 90 days of the close of the record, this report will constitute the final agency decision under Minn. Stat. § 14.62, subd. 2a. In order to comply with this statute, the Commissioner must then return the record to the Administrative Law Judge within 10 calendar days to allow the Judge to determine the discipline to be imposed. The record closes upon the filing of exceptions to the report and the presentation of argument to the Commissioner, or upon the expiration of the deadline for doing so. The Commissioner must notify the parties and the Administrative Law Judge of the date on which the record closes.

Under Minn. Stat. § 14.62, subd. 1, the agency is required to serve its final decision upon each party and the Administrative Law Judge by first class mail or as otherwise provided by law.