



The Commonwealth of Massachusetts

Office of the Commissioner of Banks

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STEVEN L. ANTONAKES
COMMISSIONER OF BANKS

April 24, 2007

Ted Bell
Alternative Collections, LLC
5500 Main Street
Williamsville, New York 14221

Dear Mr. Bell,

This letter is in response to your correspondence dated February 23, 2007 to the Division of Banks (the "Division") in which you request an opinion as to whether your company's business of collecting commercial (business) debt requires a license under the laws of the Commonwealth. Please be advised that your letter was received by the Division on March 6, 2007 under a cover letter from Cornerstone Support, Inc. dated March 5, 2007.

Massachusetts General Laws chapter 93, section 24 defines debt as "any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily *for personal, family, or household purposes*, whether or not the obligation has been reduced to judgment." (emphasis added) Chapter 93, section 24A states "no person shall directly or indirectly engage in the commonwealth in the business of a debt collector ... without first obtaining from the commissioner a license to carry on the business."

The facts of your letter presented state that Alternative Collections, LLC is engaged in only the business of collecting 100% commercial (business) debt. As a result Alternative Collections, LLC would not be required to obtain a license to collect debt because it is collecting solely commercial debt, as the statute applies only to collecting debt for personal, family, or household purposes.

The conclusions reached in this letter are based solely on the specific facts presented. Fact patterns which vary from that presented may result in a different position statement by the Division. If you have any other questions please feel free to contact us directly at (617) 956 - 1520.

Sincerely,

Joseph A. Leonard, Jr.
Deputy Commissioner of Banks
and General Counsel

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