



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Financial Practices
Bureau of Consumer Protection

Jessica Rich
Associate Director

Telephone
(202) 326-2148

August 27, 2012

BY EMAIL

Anthony E. DiResta, Esq.
Winston & Strawn LLP
1700 K Street, N.W.
Washington, DC 20006-3817

Re: RJM Acquisitions LLC (FTC File No. 1223020)

Dear Mr. DiResta:

As you know, the staff of the Federal Trade Commission's Division of Financial Practices has been conducting a non-public investigation of RJM Acquisitions LLC ("RJM") for possible violations of the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. §§ 1692-1692p, and Section 5 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 41 *et seq.* Based on the information that the Commission staff reviewed in its investigation, Commission staff has determined to close this investigation for the reasons set forth below.

RJM is a debt buyer that purchases debts from original creditors and then tries to collect on them. Some of the debts RJM purchases and seeks to recover on are beyond the statute of limitations. To collect on debts, RJM mails letters to consumers that include specific information about the consumers' debts but, unlike most debt collectors, RJM does not make unsolicited out-bound collection calls. RJM receives in-bound calls from consumers in response to its letters.

The RJM collections letters that the Commission staff reviewed do not make any reference to suing a consumer or pursuing litigation, and therefore do not contain any affirmative representations as to whether RJM would sue if consumers do not pay time-barred debts. Even in the absence of such a representation, however, merely collecting on debts that are beyond the statute of limitations "in many circumstances . . . may create a misleading impression that the collector can sue the consumer in court to collect on the debt in violation of Section 5 of the FTC Act and Section 807 of the FDCPA." Federal Trade Commission, *Repairing a Broken System: Protecting Consumers in Debt Collection Litigation and Arbitration* (July 2010), at 26. The FTC's investigation here focused primarily on whether RJM's letters to consumers trying to recover on time-barred debts created such a misleading impression in violation of the FTC Act

and the FDCPA. During the investigation, RJM added a disclosure to its letter intended to avoid consumers taking away such an impression.

Upon careful review of the matter, including information submitted to FTC staff, we have determined not to recommend enforcement action at this time. The decision not to recommend enforcement action is based on findings specific to this particular investigation.

The closing of this investigation is not to be construed as a determination that a violation of law did not occur, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jessica Rich".

Jessica Rich
Associate Director
Division of Financial Practices