

IN THE MATTER OF
CAPAX, INC., ET AL.

Docket 9058. Interlocutory Order, Oct. 20, 1976

Order denying motion by all respondents except one individual that the administrative law judge be disqualified from presiding in this proceeding.

Appearances

For the Commission: *Carthon E. Aldhizer, John F. LeFevre, and Alan D. Reffkin.*

For the respondents: *Robert F. Stockton, Segal & Stockton, Philadelphia, Penn., for Capax, Inc., Joseph V. Defelice and Arnold Goodman. Barbara Van Horn Colsey, Delanco, New Jersey, for Norman Bricker.*

ORDER DENYING MOTION TO DISQUALIFY ADMINISTRATIVE
LAW JUDGE

Administrative Law Judge Paul R. Teetor has certified a motion filed by all respondents other than Norman Bricker requesting that the ALJ be disqualified from presiding in this proceeding. The moving respondents assert that two letters to the ALJ written by complaint counsel were *ex parte* communications and had "the capacity to prejudice" the ALJ against respondents or their attorneys.¹

We agree with the ALJ's decision not to disqualify himself. The letters did not constitute *ex parte* communications since copies were forwarded to respondents' counsel. Nor has there been a showing that the law judge's ability to conduct a fair hearing has in any way been prejudiced. Accordingly,

It is ordered, That the aforesaid motion be, and it hereby is, denied. Commissioner Dole not participating by reason of absence.

¹ According to one letter, a prospective witness had informed complaint counsel that she intended to cancel her scheduled interview date because of threats made by a telephone caller who identified himself as a representative of respondent Capax. The other letter complained of a questionnaire mailed to a prospective witness.

Complaint

88 F.T.C.

IN THE MATTER OF
GUARDIAN LOAN COMPANY, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION AND TRUTH IN LENDING
ACTS

Docket C-2846. Complaint, Oct. 20, 1976 — Decision, Oct. 20, 1976

Consent order requiring a Roslyn Heights, N.Y., consumer finance company, among other things to cease violating the Truth in Lending Act by failing to disclose to consumers, in connection with the extension of consumer credit such information as required by Regulation Z of the said Act. Further, respondent is required to cease misrepresenting the terms and conditions of insurance coverage requirements; to display insurance information in-house; to mail insurance disclosure letters together with cancellation forms to customers; to send customer-requested refunds within a specified time; and to maintain records.

Appearances

For the Commission: *Angelo M. Presti.*

For the respondent: *Walter C. Wallace, Stein, Mitchell & Mezines,*
Washington, D.C.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and the Truth in Lending Act and the regulation promulgated thereunder, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Guardian Loan Company, Inc., a corporation, hereinafter sometimes referred to as respondent, has violated the provisions of said Acts and implementing regulation, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Guardian Loan Company, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 2 Lambert St., Roslyn Heights, New York.

Respondent Guardian Loan Company, Inc. operates through approximately thirty (30) wholly-owned subsidiary loan offices located in the States of New York, New Jersey, Pennsylvania, Delaware and Connecticut. Respondent Guardian Loan Company, Inc. formulates and controls the policies, acts and practices of each of the wholly-owned subsidiaries, including the acts and practices hereinafter set forth.

PAR. 2. Respondent, by and through its various wholly-owned