

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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**THE PEOPLE OF THE STATE OF NEW YORK, by
ELIOT SPITZER, Attorney General of the State
of New York,**

Petitioners,

-against-

**BOYAJIAN LAW OFFICES, P.C.
JBC LEGAL GROUP, P.C.,
JBC & ASSOCIATES, P.C. and
JACK H. BOYAJIAN,**

Respondents.

**VERIFIED
PETITION
Index # _____**

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TO: THE SUPREME COURT OF THE STATE OF NEW YORK

The People of the State of New York, by their attorney, Eliot Spitzer, Attorney General of the State of New York, allege upon information and belief:

JURISDICTION AND PARTIES

1. Petitioners, the People of the State of New York, bring this special proceeding pursuant to Executive Law §63(12) to enjoin respondents from engaging in fraudulent, deceptive and illegal practices in the conduct of their debt collection business, to obtain restitution and damages for the victims of respondents' practices, and to obtain penalties and costs, as provided by statute, to be paid to the State of New York.

2. This Court has jurisdiction pursuant to (i) Executive Law §63(12) under which petitioners are empowered to commence a summary proceeding under CPLR Article 4 to seek injunctive relief, restitution and damages when a person or business entity engages in repeated fraudulent or illegal acts or persistent fraud or illegality in carrying on, conducting or transacting of business; (ii) General Business Law ("GBL") Article 22-A, §§ 349(b) and 350-d, which authorize the Attorney General to seek injunctive relief, restitution and civil penalties when a person or business engages in deceptive business practices; and (iii)

GBL § 602(2), which empowers the Attorney General to restrain or prevent any violation of the New York Fair Debt Collection Practices Act (“NYFDCPA”), GBL Article 29-H.

3. Respondent Boyajian Law Offices, P.C. (“BLO”) is a California professional corporation with its principal place of business at 201 Route 17 North, Rutherford, New Jersey 07070. BLO is engaged, *inter alia*, in the business of debt collection, including the collection of debts from consumers in New York.

4. Respondent JBC Legal Group, P.C. was a California professional corporation with its principal place of business located at 2 Broad Street, Bloomfield, NJ 07003. JBC Legal Group, P.C. was engaged, *inter alia*, in the business of debt collection. JBC Legal Group, P.C. was the predecessor corporation to BLO.

5. Respondent JBC & Associates, P.C. was a California professional corporation with its principal place of business located at 2 Broad Street, Bloomfield, NJ 07003. JBC & Associates, P.C. was engaged, *inter alia*, in the business of debt collection. JBC & Associates, P.C. was the predecessor corporation to JBC Legal Group, P.C.

6. Respondent Jack H. Boyajian (“Boyajian”) is an individual residing at 17 Glenwood Drive, Saddle River, NJ. Boyajian is the President and sole shareholder of BLO and was the President and sole shareholder of JBC Legal Group, P.C. and JBC & Associates, P.C. Boyajian is licensed to practice law in California. Boyajian controls the day-to-day operations of BLO and controlled the day-to-day operations of JBC Legal Group, P.C. and JBC & Associates, P.C. Boyajian participated in and had knowledge of the facts alleged in this Verified Petition that relate to company policy and standard operating procedures, including the form letters that form the basis of many of petitioners’ claims.

7. Respondents JBC Legal Group, P.C., JBC & Associates, P.C., BLO and Boyajian are hereafter collectively referred to as “JBC” or “Respondents.”

8. O June 1, 2006, petitioners sent respondents a pre-litigation notice pursuant to GBL §349(c) and 350-c by certified mail, return receipt requested.

FACTS

9. JBC is a high volume debt collector that attempts to collect debts, allegedly owed by consumers in New York and throughout the country. JBC's collection efforts are primarily through the use of dunning letters and follow-up telephone calls. A copy of a typical JBC initial dunning letter and a sample follow-up letter are annexed hereto as Exhibits "A" and "B", respectively. Also, a typical "verification" letter sent in response to a request by the consumer for verification, is attached hereto as Exhibit "C". Since at least September, 2003, JBC has sought to collect tens of thousands of allegedly dishonored checks issued by consumers to retail merchants, including department stores such as Ames and Bradlees which long ago filed for bankruptcy and are no longer in business.

10. Among the dishonored checks that JBC attempts to collect are checks purchased by Outsource Recovery Management, Inc. ("ORM") from the original payee or the bankruptcy estate of the original payee. Boyajian is an officer of ORM. ORM thereafter either sold the checks to JBC or retained JBC to attempt to collect on the checks. Many of the allegedly dishonored checks that JBC began attempting to collect in 2003 and continuing to the present had been issued by consumers in the early 1990s.

11. In those cases where JBC attempts to collect debts on behalf of ORM or another third-party, JBC is acting as a debt collector, as defined in 15 U.S.C. § 1692a, and is subject to the provisions of the federal Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692 *et seq.* In such instances, JBC is also acting as the agent of the principal creditor, and is also subject to the NYFDCPA, GBL Article 29-H § 600 *et seq.* In those cases where JBC attempts to collect debts that have been sold or assigned to JBC, JBC is the "principal creditor," as defined by GBL § 600(3), and is subject to the provisions of NYFDCPA.

12. In the course of its debt collection business, JBC repeatedly and persistently engages in a number of fraudulent, deceptive and illegal practices aimed, *inter alia*, at coercing consumers into paying alleged debts and additional money that the consumers do not owe and which JBC has no right to collect. Annexed hereto as Exhibit D (numbered 1-103) are copies of one hundred and three complaints filed with

the Attorney General by consumers who have been the victims of JBC's fraudulent, deceptive and illegal practices.

Continuing Collection Efforts Without Providing Verification of the Alleged Debt

13. JBC's collection efforts begin with an initial dunning letter to the consumer. The letter states that the consumer owes a debt in a specific amount and threatens legal action if the consumer does not pay the full amount of the debt, plus a \$20 return check charge, within 30 days. (See Exhibit A.)

14. The letter contains a notice, presumably in an attempt to comply with the requirement of 15 U.S.C. § 1692g, stating that if the consumer disputes the debt within 30 days, JBC will obtain verification of the debt and mail a copy to the consumer.

15. When, within 30 days of receiving a notice of the debt, a consumer either disputes the alleged debt or requests verification of the debt, JBC is required under the FDCPA to cease collection efforts until it has obtained verification and mailed a copy of such verification to the consumer. 15 U.S.C. § 1692g(b).

16. When consumers who receive a dunning letter from JBC dispute the alleged debt or request verification of the debt, JBC repeatedly fails to provide verification or cease collection efforts until verification has been provided:

“In 12/31/91 my wallet was stolen. At that time I filed a police report and closed the account w/ Chase Bank . . . Whoever stole my wallet wrote thousands of dollars of fraudulent checks. At that time I signed and had notarized many affidavits to vendors in receipt of these checks to their fraudulent nature . . . This was 11 years ago . . . The firm of JBC & Associates . . . is now trying to collect of [sic] two checks written to Ames in 1992 which were a result of this crime. I have explained the situation to them and they will not stop harassing me.” (Complaint of Stella Connell, Exhibit 11.)

“This was a returned check over 6 years ago. This was paid with a money order – which after so many years I don't have a copy . . . This company calls (2) twice a day and at my place of business. A letter was sent to cease & desist but this has not stopped them. ” (Complaint of Ronnie De Luca, Exhibit 14.)

“I received a letter from JBC Legal Group about 4-12-04 saying I owed \$29.82 for a ck written 1-23-98 to Ames with no accompanying proof. I sent a letter of dispute to them on 4-19-04 asking for proof. . . I received another letter on 5-17-04 stating that I had chosen to ignore the previous letter and that I am trying to defraud. (Complaint of Gordon Hutton, Exhibit 40.)

“On 7/17/03 I received a letter from JBC alleging an NSF check written to Ames Dept. Store in 1997. . . I sent a letter --certified-- requesting proof. I never got it. This company has continued to call and harass me, telling my kids (when they call my house) that ‘your mother is going to jail, I hope she has a lawyer’. I’ve sent 3 more certified letters, telling them not to call & disputing check. My bank has no record of this check. They still call every day.” (Complaint of Karen Mead, Exhibit 58.)

“These people have stated that if I don’t pay w/in 30 days I will be penalized. They state that I can request a copy of the check, but it will likely take 6 weeks & I will thus be penalized. Basically, they want payment before proving I owe a debt that I don’t think I owe, this is highly suspect & certainly unfair.” (Complaint of Frank Jenkins, Exhibit 41.)

“[I] then wrote a letter seven days later to JBC Legal, dated March 23, 2004, asking for verification of the debt, as their March 18th correspondence states that you can within 30 days. I did this in seven days. I never did see anything in the form of verification . . .” (Complaint of Michael Gervais, Exhibit 25.)

“I am writing to dispute the information about a dishonored check presented for payment . . . In trying to find a resolution for this matter, your representatives continued to ask me ‘why don’t you just pay the bill.’” (Letter to JBC from Michel Fortier, Exhibit 20.)

“In April 2004, I received a notice stating that in 12/11/99, 12/11/99 & 3/01/00 I had dishonored checks from Ames Store . . . I then asked them to send me copys [sic] of these checks. They said I would have to write a letter to request them. Which I did that same day. Heard nothing until 5/18/04 in a letter saying you have obviously chosen to ignore our previous demand that you make restitution on these NSF checks, etc. . .” (Complaint of Kimberly Snyder, Exhibit 81.)

“I called these people and tried to explain that this matter had to of [sic] been cleared up because, number one we live in a small town and if you don’t make good on a bad check, you go to court and your name ends up in the paper. I would just not let that happen. Number two, I use[d] to work for this company and know that there [sic] store polocey [sic] is if you have an outstanding check with [Ames] they do not accept any other checks from [the customer] until it is paid. After going through my bank statements they indeed did except [sic] other checks from me . . . They [JBC] keep

saying I need proff [sic] that I paid it. I can only come up with the proff [sic] I have given you.” (Complaint of Karen Bowker, Exhibit 6.)

“This writer received a letter from JBC And Associates on 10-11-03 regarding the matter of a check that supposedly this writer wrote bad on 6-24-96 and this agency wanted payment. This writer asked [in writing] for verification of debt . . . JBC and Associates is not willing to provide easily which is a red flag . . .” (Complaint of Mario Prestigiaco, Exhibit 69.)

“JBC Legal Group, has not responded to my correspondence dated 8/18/04 requesting more information, but has begun calling my house.” (Complaint of Kelly Sova, Exhibit 83.)

“[My husband] requested something in writing & photocopy of returned check from Foxwoods Casino dated Feb. 1996. Was informed today that they will not send a photocopy to us . . . Today on the phone after again requesting a photocopy & was refused . . . I asked him if he had sent me this letter via certified mail & he said they weren’t required to send me anything but they did it as a courtesy & the only thing they are required to send is a summons to appear in court if I choose not to take care of this matter . . . So I called JBC & asked the woman who answered if they had the check, she said yes so I asked her to send a copy she said they won’t do that because I am not their client.” (Complaint of Patricia Dorozynski, Exhibit 17.)

“I have repeatedly asked for proof that I was the person responsible for allegedly writing those checks . . . I was contacted by an unidentified person from your company, again the only conversation was about when I would pay this account . . . I again asked for a letter and proof . . . she said you’re not going to get any and I am going to tell my attorney to start criminal charges, you will be charged with possession of stolen property, and a warrant will be issued for your arrest.” (Complaint of Mary Burgin, Exhibit 7.)

“I had called JBC & Associates, P.C. about a letter they sent me saying that I have a dishonored check from Ames . . . I had asked Mr. Singer [JBC staff person] if he could send me a copy of the check. He said no that his office has over 80,000 checks and he couldn’t do that. I told him I had a right to see the ck & he told me that I am a person who is trying to get out of paying for the ck. I’m one of those people who writes bad checks all the time to see if I can get away with it.” (Complaint of Marcella Murray, Exhibit 63.)

“3/11/03 - [I] then wrote JBC that same afternoon . . . 4/30/03 - With no response yet from JBC, I called them again to follow up . . . I requested no further contact except by mail in response to my request letter. 5/02/03 - Received a call from Jennifer Brady of JBC restating their demand of restitution . . . 5/08/03 - Received another call from JBC, this time from Monica Stewart, as though there had been no prior contact.” (Complaint

of William Hewlett, Exhibit 34.)

“When I received this letter I contacted the company, they told me to send a letter requesting a copy of the check that they are claiming we bounced. This was on 4/2 that they received my letter. I have been calling ever since this time to get information. Finally on May 3rd Ray Barkley contacted me, he told me this matter was settled out of court for \$125 even though I asked for a copy of the check. He also told me if I paid this balance it would speed up the process . . . I want proof I really owe this.” (Complaint of Sherry Hudson, Exhibit 37.)

See also, complaints of Bryon Bassett (Exhibit 4); Anne Carelli (Exhibit 9); Sandra Daly (Exhibit 12); David French (Exhibit 21); Kimberley Garso (Exhibit 24); Marlene Grabenstatten (Exhibit 29); Bonnie Gugliotto (Exhibit 31); Michele Hill (Exhibit 35); Rebecca Kennedy (Exhibit 43); Valerie King (Exhibit 44); Lisa LaFountain (Exhibit 46); Connie Lane (Exhibit 47); David Lennox (Exhibit 48); Tony Letterio (Exhibit 49); Mary Longer (Exhibit 51); Andrea Lorraine (Exhibit 53); Maritza Maldonado (Exhibit 54); William McGregor (Exhibit 56); Eric Miles (Exhibit 60); Joanna Ousterman (Exhibit 64); Cathryn Rivenburgh (Exhibit 96); Lucinda Seror (Exhibit 76); Kathryn Sochia (Exhibit 82); Coreen Stark (Exhibit 84); Keith Stoddard (Exhibit 85), Jodie Sutton (Exhibit 86); Robert Toman (Exhibit 87); and Bonnie Yager (Exhibit 93).

Falsely Representing the Amount of the Alleged Debt

17. JBC has no authority or legal right to demand “statutory fees” or any amount above the face value of the check, other than a \$20 return check charge permitted by New York General Obligations Law (“GOL”) § 5-328. Nevertheless, in a follow-up dunning letter to the consumer who has not responded to the initial letter, JBC demands an amount in excess of the face amount, typically double the amount of the check, plus the \$20 return check charge, together with a threat to seek “appropriate relief before a court of proper jurisdiction” if the alleged debt is not paid in full. (See Exhibit “B” for a sample follow-up letter.) As can be seen from comparing Exhibit “B” with Exhibit “A”, this consumer allegedly bounced a check for \$27.00, but is now being threatened with legal action if he does not pay \$101.00.

18. In those instances where JBC does respond to the consumer’s request for verification of the

debt, JBC generally sends a form letter which includes an itemization of the alleged debt. The itemization includes a demand for “statutory fees” tacked on to the face amount of the allegedly dishonored check, usually in an amount equal to twice the amount of the alleged debt. (A copy of a typical JBC “verification” letter is annexed hereto as Exhibit “C”.)

19. The following consumers received follow-up dunning letters or “verification” letters from JBC demanding more than the face amount of the check it claimed was dishonored:

<u>Name</u>	<u>Face Amt.</u>	<u>Amt. Sought</u>	<u>Exhibit</u>
Theo Apostolou	\$216.49	\$ 636.49	1
Alfred Austin	\$133.19	\$ 419.57	3
Bryon Bassett	\$ 33.16	\$ 119.48	4
Mary Burgin	\$160.16 \$ 48.26	\$ 320.32 \$ 96.52	7
Sandra Daly	\$ 21.10	\$ 83.57	12
Patricia Dorozynski	\$ 300	\$ 720	17
Ruby Heller	\$ 800	\$1210.47	33
Frank Jenkins	\$ 254.65	\$ 279.65	41
Lisa LaFountain	\$ 49.65	\$ 168.95	46
Mary Longer	\$ 38.30	\$ 134.90	51
Cynthia Lonnen	\$ 117.69	\$ 373.07	52
Andrea Lorraine	\$ 119.83 \$ 64.21	\$ 223.74 \$ 591.22	53
Karen Mead	\$ 77.04 \$ 68.22	\$ 475.78	58
Michael Palazzo	\$ 99.97	\$ 324.91	66
Irene Premdas	\$ 254.89 \$ 213.09 \$ 202.64	\$ 289.89 \$ 248.09 \$ 237.64	68

	\$ 189.03	\$ 224.03	
Marie Prestigiacomio	\$ 24.95	\$ 49.95	69
Elizabeth Ringanese	\$ 7.96	\$ 32.96	71
Hera Sachs	\$ 687.85	\$1087.85	74
Lucinda Seror	\$ 45.14	\$ 155.42	76
Rebecca Shamey	\$ 62.91	\$ 143.73	78
Kimberly Snyder	\$ 159.72	\$ 539.16	81
Lola Towsley	\$ 133.86	\$ 421.58	88
Bonnie Yager	\$ 90.18	\$ 290.54	93
Jo Ann Zornes	\$ 86.45	\$ 279.35	95

20. JBC’s collectors also routinely demand additional fees above the face amount of the check in oral communications with consumers.

“She [Debra Moranis, a collector for JBC] angrily and obnoxiously told me that the time for talking was over, that I had probably spoken to a collection agency, but now I was dealing with a law firm and that the initial debt was approximately \$200, but it has now tripled.”(Complaint of Theo Apostolou, Exhibit 1.)

“Mr Marks [JBC employee] said that according to the law NYS amount is \$400. He said that penalty was assessed against me Aug 31 the \$300 check plus \$20 check fee is now \$720. He said the law was written to keep people from bouncing checks habitually.”(Complaint of Patricia Dorozynski, Exhibit 17.)

“[I] gave approval for him [James Carter, JBC staffer] to charge \$204.10 to my credit card, the amount requested on the bill. I later learned that I was charged \$573.50, an amount never discussed. When I inquired, Mr. Carter stated that this included statutory charges. This was contrary to any bill or discussion.” (Complaint of Alissa Hollywood, Exhibit 36.)

"Since our letter of dispute didn't reach them within 30 days they said there was an addition[al] mandatory NYS charge add[ed] on to the original charge." (Complaint of Byron Bassett, Exhibit 4.)

See also, complaints of Richard Huntley (Exhibit 39); Michael Palazzo (Exhibit 66); and Kimberly Snyder

(Exhibit 81).

Threatening Legal Action that in the Regular Course of Business It Does Not Take

21. In both its initial and follow-up collection letters, JBC threatens to file a lawsuit in the event the alleged debtor fails to make payment within 30 days. (See Exhibits “A” and “B”.)

22. In fact, JBC commences a lawsuit against New York consumers in far fewer than 1% of the cases in which it threatens such lawsuits. (See Exhibit E, chart provided to the Attorney General by JBC of lawsuits commenced by JBC against New York consumers.)

Threatening Legal Action to Collect Time-Barred Debts

23. The statute of limitations for civil claims on dishonored checks in New York is six years. CPLR §213. Accordingly, an action brought for collection of a dishonored check issued more than six years prior to the commencement of the action will be dismissed based on a statute of limitations defense.

24. Nevertheless, JBC repeatedly threatens legal action against New York consumers who allegedly issued a dishonored check more than six years prior to the threat.

25. The following consumers received collection letters from JBC that were dated more than six years from the date the allegedly dishonored check was issued:

	<u>Name</u>	<u>Date of Check</u>	<u>Date of JBC letter</u>	<u>Exhibit #</u>
•	Paul Beneway	8/13/91	10/17/03	5
•	Mary Burgin	1994	10/03/03	7
•	Darrell Burris	2/25/95	6/5/03	8
•	Anne Carelli	8/25/96	4/8/04	9
•	Christopher Catone	8/24/96	4/16/04	10
•	Stella Connell	Jan 1992	7/20/03	11
•	Sandra Daly	1/6/92	7/29/03	12
•	Derrick Dixon	2/11/93	3/18/04	16

•	Patricia Dorozynski	2/96	10/8/03	17
•	Michel Fortier	12/24/91	4/29/03	20
•	Donna Funk	1991	8/12/03	22
•	Barbara Gale	9/13/97	4/16/04	23
•	Michael Gervais	10/12/94	5/13/04	25
•	Margaret Hanwacker	10/31/96	1/23/03	32
•	William Hewlett	1/14/95	5/15/03	34
•	Michele Hill	12/18-21/91	4/24/03	35
•	Alissa Hollywood	11/04/95	11/5/03	36
•	Richard Huntley	9/24-26/93	11/18/03	39
•	Frank Jenkins	1993	11/13/03	41
•	Andrea Lorraine	8/6/92	8/6/03	53
•	Maritza Maldonado	1991	11/12/03	54
•	Michele Marbury	5/17/93	10/31/03	55
•	William McGregor	1/17/95	10/21/03	56
•	Karen Mead	3/26-27/97	9/12/03	58
•	Linda Mitchell	11/23/92	4/14/03	61
•	John Pacyna	10/14/96	5/24/04	65
•	James Patrick	5/17/96	10/21/03	67
•	Marie Prestigiacommo	6/24/96	10/17/04	69
•	Lydia Wilson Ross	1991, 1992	1/22/03	73
•	Tanya Salmon-Roy	6/23/96	6/9/04	75
•	Lucinda Seror	3/4/92	8/5/03	76
•	Kathy Shepard	2/8/96	10/20/00	79

• Kathryn Sochia	12/8/96	6/7/04	82
• Kelly Sova	12/4/96	5/27/04	83
• Coreen Stark	2/6/92	4/15/03	84
• Bruce Wexler	11/21/97	8/10/03	91
• Anthony Zajac	10/27/96-11/1/96	11/17/03	94

Falsely Accusing Debtors of Criminal Activity

26. In the course of attempting to collect alleged debts, JBC repeatedly and falsely accuses consumers of criminal activity.

27. JBC’s form follow-up letter to consumers (Exhibit C) states: “You have obviously chosen to ignore our previous communication . . . Our client(s) may now assume that you delivered the check(s) with intent to defraud, and may proceed with the allowable remedies.”

28. Further, JBC’s collectors repeatedly accuse consumers of criminal activity in telephone conversations with the consumers.

In response to consumer Mary Burgin’s request for proof of the alleged debt, a JBC collector stated: “You’re not going to get any [proof] and I am going to tell my attorney to start criminal charges, you will be charged with possession of stolen property, and a warrant will be issued for your arrest.” (Complaint of Mary Burgin, Exhibit 7.)

“I called JBC and was accused of fraud, told I would be prosecuted and they refused to tell me the date or actual amount of check. The woman I spoke with ‘Linda’ refused to transfer me to the person named in the letter ‘Lori Brown’. Linda cursed at me, shouted at me and hung up . . . This company has continued to call and harass me, telling my kids (when they call my house) that ‘your mother is going to jail, I hope she has a lawyer.” (Complaint of Karen Mead, Exhibit 58.)

“I was contacted twice by the JBC Legal Group . . . They requested I get in touch with my ‘daughter’ and have her contact them . . . Mr. Rivera [JBC staff person] stated she needed to contact him by 4:30 pm - 2/20/04 or she would be in a great deal of ‘legal trouble’ for writing a bad check to Ames . . .” (Complaint of Sharon Episcopo, Exhibit 18.)

“I had called JBC & Associates, P.C. about a letter they sent me saying that

I have a dishonored check from Ames . . . I had asked Mr. Singer [JBC staff person] if he could send me a copy of the check. He said no that his office has over 80,000 checks and he couldn't do that. I told him I had a right to see the ck & he told me that I am a person who is trying to get out of paying for the ck. I'm one of those people who writes bad checks all the time to see if I can get away with it." (Complaint of Marcella Murray, Exhibit 63.)

"[I] received letter telling me of bad checks written 5/96 so I called for more information. I asked for 1 day to check my monies to see when I could pay. Lori then said 'I[t] does not work that way and demanded payment then. When I could not give a good enough answer she then said 'How do you look in stripes?' I said I need time because I only get S.S.D. payments, and she said I must have plan[n]ed to write bad checks because I knew I did not have a job." (Complaint of James Patrick, Exhibit 67.)

"At the end of our conversation, she [Becky Hogan, JBC staff person] indicated they will 'put a warrant out for my arrest.'" (Complaint of Hera Sacks, Exhibit 74.)

"[T]hey would not listen to me & accused me of writing the check. They stated will get judgment to collect this – they state police report will not suffice . . ." (Complaint of Coreen Stark, Exhibit 84.)

See also, complaints of Stella Connell (Exhibit 11), Judith Davies (Exhibit 13), Ronnie DeLuca (Exhibit 14), Michele Hill (Exhibit 35), Frank Jenkins (Exhibit 41), Valerie King (Exhibit 44), Toni Letterio (Exhibit 49), Lydia Wilson Ross (Exhibit 73), Bruce Wexler (Exhibit 91), and Anthony Zajac (Exhibit 94).

Harassing Alleged Debtors

29. In attempting to collect alleged debts, JBC engages in harassing telephone communications, including, *inter alia*, calling late at night, calling at work, abusing the alleged debtors, communicating with someone other than the debtor about the alleged debt, refusing to verify debts, threatening lawsuits and accusing debtors of criminal intent.

"This company calls (2) twice a day and at my place of business. A letter was sent to cease & desist but this has not stopped them . . . I have had them call twice within 10 minutes. They tell me if I don't send a Western Union [sic] they will send a process server to my house . . . They refuse to give a name. They threaten and hang up." (Complaint of Ronnie DeLuca, Exhibit 14.)

"On Saturday, November 20th, 9 15 [sic] in the morning my wife received

a phone call asking for me [sic] she said I was not here and then asked who it was that was calling. The man on the line asked who she was and she told them that she was my wife and the man on the phone said 'well this is his lover' and hung up on her . . . I have her call [the 800 number on their caller ID] and JBC Legal answers." (Complaint of Mark Gordon, Exhibit 28.)

"I ask Wendy Wright from JBC not to call me on my job. I gave her my home number she refused to call me at home. My supervisor ask her not to call me at work the next day she calls back yelling at me asking me again about the bill, I said to her I asked you not to call me on the job she said she will call me on my job until I give her an answer. Very rude, and yelling. I am on my place of business as well as she, she has very poor customer service." (Complaint of Amy John, Exhibit 42.)

"I called the number listed . . . I was transferred to a woman who identified herself as 'Linda'. . . I asked her to please send me documentation of the check . . . Linda refused . . . Linda accused me of lying . . . This person was without a doubt the rudest, most belligerent and nasty person I have ever had the pleasure to speak to . . . Linda then began shouting at me, yelling into the phone so loud I had to remove the phone from my ear. She insinuated that I 'ignored my responsibilities' and that I had 'better get an attorney' because she was 'sending me a subpoena'. . . Linda stated that I had 'until 4:00 p.m. to send the money by Western Union' and then she hung up the phone on me." (Complaint of Karen Mead, Exhibit 58.)

"I spoke to a male person who refused to give his name again and proceeded to tell me what a criminal I am. I told him to control his verbal abused [sic] I will stay calm because I was a fraud victim on record." (Complaint of Irene PremDas, Exhibit 68.)

"[T]hey were rude and couldn't give me any information as to where they got the facts listed. I was switched to several people and finally told that if I didn't pay immediately, I would receive a summons. I believe this is a scam to get unsuspecting people to pay for goods an[d] services they never received. They use legal threats to scare and bully." (Complaint of Judith Davies, Exhibit 13.)

"[W]hen I explained to [Henry Hill, JBC employee] that [my son] was in and out of rehabs, was considered homeless, he accused me of being an unfit mother for letting my son live like that." (Complaint of Bonnie Goggin, Exhibit 26.)

"[T]hey leave 8-10 messages on my phone in one week. I also have an unlisted number. I am beginning to feel harassed. I am 84 years old." (Complaint of Lydia Wilson Ross, Exhibit 73.)

“Starting in June [2002] I was getting these phone calls from Marcus Allen of JBC Associates. I always told him that no one lived here by that name. He would always accuse me of lying and start threatening [sic] me. The phone calls increased in July with a call made to my home at 8:30 am in the morning every morning for three weeks straight . . . It has been very scary for me because this man was always talking to me accusingly and threatened me saying that he got me.” (Complaint of Jennifer Wimett, Exhibit 92.)

See also, complaints of Stella Connell (Exhibit 11); Dawn Dickquist (Exhibit 15); Sharon Episcopo (Exhibit 18); Barbara Fecura (Exhibit 19); David French (Exhibit 21); Michael Gervais (Exhibit 25); Mildred Hunter (Exhibit 38); Richard Levine (Exhibit 50); Maritza Maldonado (Exhibit 54); Viola McKeever (Exhibit 57); Penny Middlemiss (Exhibit 59); Marie Prestigiacomio (Exhibit 69); and Coreen Stark (Exhibit 84).

Falsely Representing That Communications are From an Attorney

30. JBC’s initial dunning letter (Exhibit A) is computer generated and is on JBC’s “Attorneys at Law” letterhead. The letter threatens the consumer with a lawsuit if the debt is not paid in full within 30 days. Up until early 2005, when there was a name change, JBC closed its dunning letters with “JBC Legal Group, Attorneys at Law.” Subsequently, the letters were closed with “Boyajian Law Offices, PC.”

31. These closings, the stationery used and the threat of suit, give the false representation or implication that the letter has been reviewed by and is from an attorney admitted to practice law in the State of New York. The representation is false because no attorney, let alone one admitted to practice in New York, is meaningfully involved in each case each time a letter is sent to collect an alleged debt.

32. JBC reinforces the false appearance of meaningful attorney involvement in its follow-up letter (Exhibit C). These letters are also computer generated, sent on “Attorneys at Law” letterhead and conclude with the same “Attorneys at Law” closing. The follow-up letter urges consumers to settle the matter “before [JBC] seek[s] appropriate relief before a court of proper jurisdiction by a qualified attorney . . .” An attorney, however, is not meaningfully involved with the sending of each follow-up letter sent in an attempt to collect the alleged debt.

**First Cause of Action Pursuant to Executive Law §63(12) –
Illegal Conduct: Violations of 15 U.S.C. § 1692g(b)**

33. 15 U.S.C. § 1692g(b) prohibits a debt collector from attempting to collect a debt if the consumer disputes the debt or requests verification of the debt, until the debt collector has mailed the consumer a copy of the verification of the debt.

34. By repeatedly continuing its collection efforts for debts which consumers have disputed or requested verification, without providing verification of the debt to the consumer, JBC is repeatedly violating 15 U.S.C. § 1692g(b).

35. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Second Cause of Action Pursuant to Executive Law §63(12) --
Illegal Conduct: Violations of 15 U.S.C. §§ 1692e(2)(A) and (B)**

36. 15 U.S.C. § 1692e(2)(A) prohibits a debt collector from falsely representing the character, amount or legal status of any debt.

37. 15 U.S.C. § 1692e(2)(B) prohibits a debt collector from falsely representing the compensation which may be lawfully received by the debt collector for the collection of the debt.

38. By demanding amounts from consumers that it has no right to demand or collect, JBC is violating 15 U.S.C. §§ 1692e(2)(A) and (B).

39. By threatening to file time-barred lawsuits against consumers, JBC is falsely characterizing the legal status of the debts in violation of 15 U.S.C. § 1692e(2)(A).

40. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Third Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of 15 U.S.C. § 1692(e)(5)**

41. 15 U.S.C. § 1692e(5) prohibits a debt collector from threatening to take any action that

cannot legally be taken or that is not intended to be taken.

42. By repeatedly threatening to file lawsuits against consumers, including time-barred lawsuits, when in the regular course of business it does not sue consumers, JBC is violating 15 U.S.C. § 1692e(5).

43. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Fourth Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of 15 U.S.C. § 1692e(7)**

44. 15 U.S.C. § 1692e(7) prohibits a debt collector from falsely representing or implying that the consumer committed any crime or other conduct in order to disgrace the consumer.

45. By accusing consumers of criminal activity and threatening them with criminal charges, JBC is violating 15 U.S.C. § 1692e(7).

46. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Fifth Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of 15 U.S.C. § 1692e(3)**

47. 15 U.S.C. § 1692e(3) prohibits a debt collector from falsely representing or implying that an individual is an attorney or that a communication is from an attorney.

48. By utilizing form letters that represent that the communication is from an attorney when there has been no meaningful attorney involvement in the matter, JBC is violating 15 U.S.C. § 1692e(3).

49. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Sixth Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of 15 U.S.C. § 1692f**

50. 15 U.S.C. § 1692f prohibits a debt collector from collecting any amount unless such amount

is expressly authorized by the agreement creating the debt or permitted by law.

51. By demanding and collecting amounts from consumers that are not expressly authorized by any agreement with the consumer or permitted by law, JBC is violating 15 U.S.C. § 1692f.

52. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Seventh Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of 15 U.S.C. §§ 1692c and 1692d**

53. 15 U.S.C. § 1692c prohibits a debt collector, without the prior consent of the consumer, from communicating with a consumer in connection with the collection of a debt: (1) at any unusual time or place known to be inconvenient to the consumer; (2) if the debt collector knows the consumer is represented by an attorney; or (3) at the consumer's place of employment if the debt collector knows or has reason to know that the employer prohibits such communications.

54. 15 U.S.C. § 1692d prohibits a debt collector from engaging in any conduct meant to harass, oppress or abuse any person in connection with the collection of a debt including, but not limited to, threatening use of violence or other criminal means to harm a person, reputation or property; using obscene or profane language; and using the telephone as a means to annoy, abuse or harass anyone.

55. By engaging in harassing telephone communications including, *inter alia*, calling late at night, calling at work, abusing the alleged debtors, refusing to verify debts, threatening lawsuits and accusing debtors of criminal intent, JBC is violating 15 U.S.C. §§ 1692c and 1692d.

56. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Seventh Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of GBL §§ 601(7) and (8)**

57. GBL § 601(7) prohibits principal creditors and their agents from threatening any action which the creditor in the usual course of business does not in fact take.

58. GBL § 601(8) prohibits principal creditors and their agents from claiming, or attempting or threatening to enforce a right with knowledge or reason to know that the right does not exist.

59. By threatening to sue consumers on time-barred debts, and by threatening to sue consumers when in the regular course of business it does not sue consumers, JBC is violating GBL § 601(7).

60. By demanding amounts from consumers that it knows, or has reason to know, that it has no right to demand or collect, JBC is violating GBL § 601(8).

61. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Eighth Cause of Action Pursuant to Executive Law §63(12) --
Illegal Conduct: Violations of GBL §601(6)**

62. GBL § 601(6) prohibits principal creditors and their agents from communicating “with a debtor or any member of his family or household with such frequency or at such unusual hours or in such a manner as can reasonably be expected to abuse or harass the debtor.”

63. By engaging in harassing telephone communications including, *inter alia*, calling with such frequency as to harass, calling at work, abusing the alleged debtors, refusing to verify debts, threatening lawsuits and accusing debtors of criminal intent, JBC is violating GBL § 601(6).

64. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive Law § 63(12).

**Ninth Cause of Action Pursuant to Executive Law §63(12) --
Illegal Conduct: Violations of GBL § 601(9)**

65. GBL § 601(9) prohibits principal creditors and their agents from using communications which give the appearance of being authorized, issued or approved by an attorney when they are not.

66. By utilizing form letters that represent that the communication is from an attorney when there has been no meaningful attorney involvement in the matter, JBC is violating GBL § 601(9).

67. Consequently, JBC is engaging in repeated illegal conduct within the meaning of Executive

Law § 63(12).

Tenth Cause of Action Pursuant to Executive Law § 63(12) -- Fraud

68. As set forth above, JBC engages in repeated and persistent fraudulent conduct in its debt collection business within the meaning and intent of Executive Law § 63(12).

**Eleventh Cause of Action Pursuant to Executive Law § 63(12) --
Illegal Conduct: Violations of GBL § 349**

69. GBL § 349 declares unlawful any deceptive acts or practices in the conduct of any business, trade or commerce in this state.

70. As set forth above, JBC is engaging in repeated and persistent deceptive acts and practices in violation of GBL § 349.

71. Consequently, JBC has engaged in repeated illegal conduct within the meaning of Executive Law § 63(12).

RELIEF

WHEREFORE, petitioners respectfully request that a judgment and order be issued providing the following:

A. Permanently enjoining respondents, their employees, officers, directors, agents, successors, assignees, affiliates, merged or acquired predecessors, parent or controlling entities, subsidiaries, and all other persons acting in concert or participation with them, from engaging in the fraudulent, deceptive and illegal practices alleged in this petition or otherwise violating 15 U.S.C. §1692 *et seq.*, Executive Law §63(12) and GBL §§349 and 601;

B. Directing respondents to provide petitioners with a complete accounting of each dishonored check involving a New York resident for which respondents have sought collection, including the names and addresses of each New York resident, the face amount of the dishonored check, and the amount of money collected by respondents in each case;

C. Directing respondents to make full restitution to all New York consumers of all amounts in excess of the face amount of the check, plus a \$20.00 service charge, collected by respondents from such consumers;

D. Directing respondents to pay civil penalties of \$500 to the State of New York for each deceptive or unlawful act in violation of GBL Article 22-A, pursuant to GBL §350-d;

E. Awarding petitioners the costs of this proceeding, including \$2,000 in additional costs against each respondent, pursuant to CPLR §8303(a)(6); and

F. Granting such other relief as is just and proper.

Dated: New York, NY
June 19, 2006

Yours, etc.,
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