

**ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

In the Matter of the Collection Agency  
License of:

Case No.: No. 11F-BD050-SBD

**CONSENT ORDER**

**COLLECTCORP CORPORATION  
AND  
BORIS DYBENKO, EXECUTIVE VICE  
PRESIDENT**  
Arizona Centre  
455 North 3rd Street, Suite 260  
Phoenix, AZ 85004

Respondents.

On September 7, 2010, the Arizona Department of Financial Institutions (“Department”) issued an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order, alleging that Respondents had violated Arizona law. Denying liability, yet wishing to resolve this matter in lieu of an administrative hearing, Respondents consent to the following Findings of Fact and Conclusions of Law, and consent to the entry of the following Order.

**FINDINGS OF FACT**

1. Respondent Collectcorp Corporation (“Collectcorp”) is a Delaware corporation authorized to transact business in Arizona as a collection agency, license number CA903202, within the meaning of A.R.S. § 32-1001, *et seq.* The nature of Collectcorp’s business is that of soliciting claims for collection and collection of claims owed, due, or asserted to be owed, or due, within, the meaning of A.R.S. § 32-1001(2)(a).

2. Respondent Boris Dybenko (“Mr. Dybenko”) is the Executive Vice President of Collectcorp. Collectcorp is authorized to transact business in Arizona as a collection agency within the meaning of A.R.S. §§ 32-1001, *et seq.*



- 1 a. A.A.C. R20-4-1503(A) by failing to notify the Superintendent in  
2 writing of a change in the officers of Respondents within ten days of  
3 such change;
- 4 b. A.A.C. R20-4-1511(A) by using unauthorized or oppressive tactics  
5 designed to harass any person to pay a debt;
- 6 c. A.R.S. § 32-1051(4) by engaging in any unfair or misleading  
7 practices or resorting to any oppressive, vindictive or illegal means  
8 or methods of collection;
- 9 d. A.A.C. R20-4-1512(A) by failing to make a reasonable attempt to  
10 contact a debtor at the debtor's residence, only during reasonable  
11 hours, prior to attempting to contact a debtor at the debtor's place of  
12 employment;
- 13 e. A.A.C. R20-4-1512(B) by contacting a third party, including a  
14 debtor's friend, relative, neighbor, or employer and (1) informing the  
15 third party of the debt; (2) asking the third party to pressure the  
16 debtor into paying the debt; or (3) asking the third party to pay the  
17 debt, unless the third party is legally obligated to pay the debt;
- 18 f. A.A.C. R20-4-1513(B)(2) by contacting debtors, directly or  
19 indirectly, when debtors gave the collection agency written notice  
20 that the debtors want the collection agency to stop all further  
21 communication with the debtor;
- 22 g. A.A.C. R20-4-1514(A) by failing to, within five days after the initial  
23 communication with the debtor, obtain and be able to inform the  
24 debtor of: (1) The name of the creditor; (2) The time and place of the  
25 creation of the debt; (3) The merchandise, services, or other value  
26

1 provided in exchange for the debt; and (4) The date when the  
2 account was turned over to the collection agency by the creditor;

3 h. A.A.C. R20-4-1521 by failing to give copies of their evidence of the  
4 debt to the debtor or the debtor's attorney on request, and failing to,  
5 after providing the evidence, but before continuing its collection  
6 efforts against the debtor, investigating any claims by the debtor or  
7 the debtor's attorney that: (1) The debtor has been misidentified; (2)  
8 The debt has been paid; (3) The debt has been discharged in  
9 bankruptcy, or (4) Based on any other reasonable claims, the debt is  
10 not owed.

11 3. Collectcorp and Mr. Dybenko do not meet any of the exemptions to the  
12 licensing requirements set forth in A.R.S. § 32-1004(A).

13 4. By the conduct set forth above it is alleged that Collectcorp has failed to  
14 conduct its collection agency business in accordance with the law, by violating numerous  
15 provisions of the Arizona Revised Statutes and Arizona Administrative Code, which is  
16 grounds for the suspension or revocation of their license, pursuant to A.R.S. § 32-  
17 1053(3).

18 5. The violations, set forth above, constitute grounds for: (1) the issuance of  
19 an order pursuant to A.R.S. § 6-137 directing Collectcorp to cease and desist from the  
20 violative conduct and to take the appropriate affirmative actions, within a reasonable  
21 period of time prescribed by the Superintendent, to correct the conditions resulting from  
22 the unlawful acts, practices, and transactions; (2) the imposition of a civil monetary  
23 penalty pursuant to A.R.S. § 6-132; (3) the suspension or revocation of Collectcorp's  
24 license pursuant to A.R.S. § 32-1053; and (4) an order or any other remedy necessary or  
25 proper for the enforcement of statutes and rules regulating collection agencies pursuant to  
26 A.R.S. §§ 6-123 and 6-131.

1 **ORDER**

2 1. Collectcorp shall immediately stop the violations set forth in the Findings  
3 of Fact and Conclusions of Law. Collectcorp and Mr. Dybenko shall use their best faith  
4 efforts to:

- 5 a. Notify the Superintendent in writing of a change in the officers of  
6 Respondents within ten days of such change;
- 7 b. Not use unauthorized or oppressive tactics designed to harass any  
8 person to pay a debt;
- 9 c. Not engage in any unfair or misleading practices or resort to any  
10 oppressive, vindictive or illegal means or methods of collection;
- 11 d. Make a reasonable attempt to contact a debtor at the debtor's  
12 residence, only during reasonable hours, prior to attempting to  
13 contact a debtor at the debtor's place of employment;
- 14 e. Not contact debtors, directly or indirectly, when debtors gave the  
15 collection agency written notice that the debtors want the collection  
16 agency to stop all further communication with the debtor;
- 17 f. Within five days after the initial communication with the debtor,  
18 obtain and be able to inform the debtor of: (1) The name of the  
19 creditor; (2) The time and place of the creation of the debt; (3) The  
20 merchandise, services, or other value provided in exchange for the  
21 debt; and (4) The date when the account was turned over to the  
22 collection agency by the creditor;
- 23 g. Give copies of their evidence of the debt to the debtor or the debtor's  
24 attorney on request, and failing to, after providing the evidence, but  
25 before continuing its collection efforts against the debtor,  
26 investigating any claims by the debtor or the debtor's attorney that:

1 (1) The debtor has been misidentified; (2) The debt has been paid;  
2 (3) The debt has been discharged in bankruptcy, or (4) Based on any  
3 other reasonable claims, the debt is not owed.

4 2. Collectcorp and Mr. Dybenko shall immediately pay to the Department an  
5 assessment of fifty thousand dollars (\$50,000.00).

6 3. Respondents shall comply with all Arizona statutes and rules regulating  
7 Arizona collection agencies (A.R.S. §§ 32-1001, *et seq.*).

8 4. The provisions of this Order shall be binding upon Respondents, their  
9 employees, agents, and other persons participating in the conduct of the affairs of  
10 Respondents.

11 5. This Order shall become effective upon service, and shall remain effective  
12 and enforceable until such time as, and except to the extent that, it shall be stayed,  
13 modified, terminated, or set aside.

14 SO ORDERED this 1 day of 12, 2010.

15 Lauren Kingry  
16 Superintendent of Financial Institutions

17 By   
18 Robert D. Charlton  
19 Assistant Superintendent of Financial Institutions

20 **CONSENT TO ENTRY OF ORDER**

21 1. Respondents acknowledge that they have been served with a copy of the  
22 foregoing Findings of Fact, Conclusions of Law, and Order in the above-referenced  
23 matter, have read the same, are aware of their right to an administrative hearing in this  
24 matter, and have waived the same.

25 2. Respondents admit the jurisdiction of the Superintendent and consent to the  
26 entry of the foregoing Findings of Fact, Conclusions of Law, and Order.



1 COPY mailed/delivered same date to:

2 Craig A. Raby, Assistant Attorney General  
3 Office of the Attorney General  
4 1275 West Washington  
Phoenix, AZ 85007

5 Robert D. Charlton, Assistant Superintendent  
6 Mack Wynegar, Senior Examiner  
7 Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
8 Phoenix, AZ 85018

9 AND COPY MAILED SAME DATE by  
10 Certified Mail, Return Receipt Requested, to:

11 Boris Dybenko, Executive Vice President  
12 Collectcorp Corporation  
13 Arizona Centre  
455 N. 3rd Street, Suite 260  
14 Phoenix, AZ 85004  
Respondents

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