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ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

In the Matter of the Unlicensed Activity of:

No. 13F-BD032-SBD

**INTERNATIONAL ASSET GROUP, LLC
AND JAMES PRAWEL, MANAGING
MEMBER**

CONSENT ORDER

495 Commerce Drive, Suite 2
Amherst, NY 14228

Respondents.

On October 30, 2012, 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. 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 International Asset Group, LLC (“IAG”) is a New York limited liability company that is not and was not at any time material herein authorized to transact business in Arizona as a collection agency within the meaning of A.R.S. §§ 32-1001, *et seq.* The nature of IAG’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 James Prawel (“Mr. Prawel”) is the Floor Manager of IAG, and is not authorized to transact business in Arizona as a collection agency within the meaning of A.R.S. §§ 32-1001, *et seq.*

3. IAG and Mr. Prawel are not exempt from licensure as a collection agency within the meaning of A.R.S. § 32-1004(A).

4. On April 2, 2012, the Department received from the Arizona Attorney General’s Office (“AG’s Office”) a March 26, 2012 consumer complaint filed by an Arizona resident against IAG. The complaint described a debt collection telephone call erroneously made to the complainant on

1 March 26, 2012, at 7:32 a.m., from an IAG representative. The complaint described the
2 circumstances surrounding the phone call, including complainant's attempts to advise the IAG
3 representative that the call was to a wrong number and also the early hour of the call. The complaint
4 further described the treatment received from IAG and their refusal to allow statements to be made.

5 5. In addition, the Department received from the AG's Office a copy of a consumer
6 complaint filed against IAG on March 1, 2012, by an Arizona resident, which stated that he had
7 received numerous harassing debt collection calls from IAG, despite his informing them that he was
8 not the person they were trying to contact. The complainant stated that he had received at least 100
9 harassing calls to his cell phone and that IAG left him threatening messages.

10 6. On April 17, 2012, the Department sent a letter to Respondents, stating that the
11 Department had reason to believe they were engaged in the collection agency business in Arizona
12 without the benefit of license, in violation of A.R.S. § 32-1055(A). The letter provided Respondents
13 with an opportunity to submit a written response to present information showing whether the
14 violations occurred and their plans to comply with appropriate Arizona statutes, and requested their
15 response be provided not later than May 1, 2012.

16 7. On May 8, 2012, the Department received a written response from attorney Brent J.
17 Nowicki ("Mr. Nowicki"), counsel for Respondents, stating that IAG had sometime earlier retained a
18 licensing service provider with regard to Arizona licensing requirements, that Respondents
19 understood that all necessary paperwork had been submitted, and further stated that he would see
20 that the matter regarding licensing be expedited.

21 8. On May 9, 2012, the Department sent a letter to Mr. Nowicki, requesting that the
22 Department be provided, on or before May 23, 2012, with the total number of Respondents' Arizona
23 accounts, open and closed account, since December 16, 2009; and the amount of money
24 Respondents recouped from Arizona residents since December 16, 2009.

25 9. On May 9, 2012, the Department sent an email to the Better Business Bureau of Upstate
26 New York, geninquiries@upstatenybbb.org, requesting a report of any complaints filed against IAG

1 by Arizona consumers. In response, the Department received information and documentation from
2 the Better Business Bureau regarding four (4) complaints filed against IAG by Arizona consumers.

3 10. On May 22, 2012, the Department received a letter from Mr. Nowicki, confirming an
4 agreed extension until May 30, 2012 to provide the Department the information requested by its
5 letter of May 9, 2012.

6 11. On May 25, 2012, the Department received a letter from Mr. Nowicki, providing
7 information regarding IAG's Arizona accounts. The letter stated that "Since December 16, 2009,
8 IAG has had a total of 2,741 active accounts, 1,423 which have been collected on. The total dollar
9 amount collected on these accounts is \$260,986.74."

10 12. On June 27, 2012, the Department sent an email message to Mr. Nowicki asking him to
11 confirm that the figures provided in his May 25, 2012 letter were Arizona account information rather
12 than accounts in general. After discussing the matter by telephone, on July 3, 2012 the Department
13 sent an email to Mr. Nowicki confirming that the numbers provided were "specific to Arizona only."

14 13. As of the issuance of this Order to Cease and Desist, the Department has not received a
15 collection agency license application from Respondents.

16 14. These Findings of Fact shall also serve as Conclusions of Law.

17 **CONCLUSIONS OF LAW**

18 1. Pursuant to A.R.S. Title 6 and Title 32, Chapter 9, the Superintendent has the authority
19 and duty to regulate all persons engaged in the collection agency business and with the enforcement
20 of statutes, rules, and regulations relating to collection agencies.

21 2. By the conduct set forth in the Findings of Fact, IAG violated the following:

22 a. A.R.S. § 32-1021(A) by failing to make an original application to the Department
23 upon forms prescribed by the Superintendent before conducting collection agency
24 activity; and

25 b. A.R.S. § 32-1055(A) by conducting collection agency activity in Arizona without
26 having first applied for and obtained a collection agency license under A.R.S.


1 collection agencies (A.R.S. § 32-1001, *et seq.*).

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

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

7 SO ORDERED this 28 day of January, 2013.

8 Lauren Kingry
9 Superintendent of Financial Institutions

10 By: 
11 Robert D. Charlton
12 Assistant Superintendent of Financial Institutions

13 **CONSENT TO ENTRY OF ORDER**

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

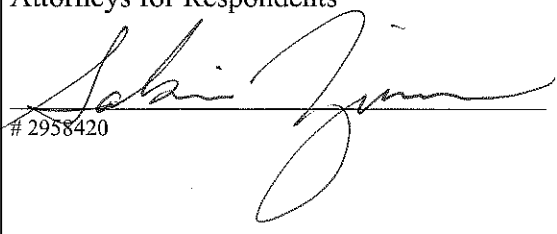
17 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry of
18 the foregoing Findings of Fact, Conclusions of Law, and Order.

19 3. Respondents state that no promise of any kind or nature has been made to induce
20 them to consent to the entry of this Order, and that they have done so voluntarily.

21 4. Respondents agree to immediately cease from engaging in the violative conduct set
22 forth in the Findings of Fact and Conclusions of Law.

23 5. Respondents acknowledge that the acceptance of this Agreement by the
24 Superintendent is solely to settle this matter and does not preclude this Department, any other agency
25 or officer of this state or subdivision thereof from instituting other proceedings as may be
26 appropriate now or in the future.

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4 140 Pearl Street, Suite 100
5 Buffalo, NY 14202-4040
6 Attorneys for Respondents

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