

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Removal and Prohibition of:

No. 16F-BD063-SBD

3 **CONSENT ORDER**

4 **JAMES E. HOOGENBOOM**

5 120 Kousa Court
6 Goshen, Indiana 46526

Respondent.

7 The Superintendent of Financial Institutions makes the following Findings of Fact,
8 Conclusions of Law and Order. Wishing to resolve this matter in lieu of an administrative hearing,
9 Respondent does not contest the following Findings of Fact and Conclusions of Law, and consents to
10 entry of the following Order.

11 FINDINGS OF FACT

12 1. Respondent James E. Hoogenboom (“Hoogenboom”) and Richard Franz (“Franz”)
13 were the co-owners and sole members of Chase Worldwide, LLC d/b/a Lewis James & Associates
14 (“Chase Worldwide”), an Arizona corporation. During the relevant time period Chase Worldwide
15 was licensed by the Arizona Department of Financial Institutions (“Department”) as a Collection
16 Agency, License No. CA-0918574.

17 2. The Department conducted an examination of Chase Worldwide, beginning on
18 January 7, 2014. The examination revealed multiple violations by Hoogenboom and Franz:

19 A. Hoogenboom and Franz failed to prevent the aiding and abetting of persons in
20 evading or violating any of the provisions of the Arizona Revised Statutes and
21 Arizona Administrative Code by hiring independent contractors to solicit
22 claims for collection or in collection of claims owed, due or asserted to be
23 owed or due, in violation of A.R.S. §§ 32-1055(D)(5) and 32-1004(A)(2), and
24 A.A.C. R20-4-1515.

25 B. Hoogenboom and Franz failed to notify the Superintendent in writing of the
26 address of their place of business, instead providing the Department with only

1 a P.O. Box address, in violation of A.R.S. § 32-1055(D)(4) and A.A.C. R20-
2 4-1503(B).

3 C. Hoogenboom and Franz failed to prevent the commingling of funds by
4 allowing debtors deposits to be deposited in to the operating account of Chase
5 Worldwide, in violation of A.A.C. R20-4-1505(C).

6 **Aronson Complaint**

7 3. On or about September 15, 2014, the Department received a complaint from Bill
8 Aronson, Controller for Transforce, Inc. (“Complainant”), one of Chase Worldwide’s creditors,
9 stating that Chase Worldwide collected \$18,304.75 from its customers but failed to remit all of the
10 collected funds timely or as promised. The complaint included email exchanges between Aronson
11 and Hoogenboom, in which Hoogenboom admitted to collecting the funds for the Complainant but
12 being not able to remit those funds. Specifically, on September 9, 2014, Hoogenboom wrote to the
13 Complainant, “No, a check was not mailed out as I said it would be. I am sorry but when I spoke
14 that to you I was under the understanding that all of our accounts were in good order. It was not
15 until after it became necessary for our personnel to leave that we discovered that they, the books,
16 were in a state of disarray,” and “Bill, I am not trying to make excuses or put you off. To be honest
17 with you we are in a very difficult position right now . . . your company should not have to bear the
18 burden of our misfortune,” and “I have no intention of slipping away from our responsibility.”

19 4. Subsequently, the Complainant provided supplemental information to the Department
20 stating that, as of November 10, 2014, the Chase Worldwide still owed \$16,485.04 to the
21 Complainant, based on the parties’ email exchanges, and taking into consideration Chase
22 Worldwide’s computational errors.

23 5. On July 31, 2014, the balance in the Chase Worldwide’s Trust account Chase
24 XXXX8254, was \$8,961.07. As of that date, the balance was insufficient to cover the remittance to
25 the Complainant, thus indicating a trust shortage, impacting the Complainant.
26

1 6. Chase Worldwide also appeared to have transferred funds from its trust account that
2 were not authorized by its clients, and/or otherwise failed to ensure that it did not withdraw from its
3 trust account any fees or commissions that were not due and that they were deposited into its own
4 operating account.

5 7. Hoogenboom and Franz failed to render an account of and pay to the client for whom
6 the collection has been made the proceeds collected within thirty days from the last day of the month
7 in which the proceeds were collected, in violation of A.R.S. § 32-1055(D)(1).

8 8. Hoogenboom and Franz failed to deposit with a local depository all monies collected
9 by the person and due to the person's clients, and to fail to keep these monies deposited until these
10 monies or equivalent amounts are remitted to the person's clients, in violation of A.R.S. § 32-
11 1055(D)(2).

12 9. By failing to maintain their client's money, Franz and Hoogenboom failed to meet the
13 financial responsibility required by A.R.S. § 32-1051(1).

14 **CONCLUSIONS OF LAW**

15 1. Pursuant to Title 6, Chapter 2, of the Arizona Revised Statutes, the Superintendent
16 has the authority and duty to regulate all persons engaged in the banking business and with the
17 enforcement of statutes, rules, and regulations relating to banks.

18 2. Hoogenboom's conduct, as set forth above, constitutes acts, omissions, and practices
19 that demonstrate personal dishonesty and unfitness to continue in office or to participate in the
20 conduct of the affairs of any financial institution or enterprise and is grounds for removal and the
21 prohibition of James E. Hoogenboom from participating in any manner in the conduct of the affairs
22 of any financial institution or enterprise within the meaning of A.R.S. § 6-161(A)(1).

23 3. The violations, set forth above, constitute grounds for the Superintendent to order the
24 removal and the prohibition of James E. Hoogenboom from further participation in any manner as a
25 director, officer, employee, agent, or other person in the conduct of the affair of any financial
26 institution or enterprise pursuant to A.R.S. § 6-161.

1 **ORDER**

2 1. James E. Hoogenboom shall be prohibited from further participation in any manner in
3 the conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161.

4 2. 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 18 day of February, ²⁰¹⁶~~2015~~.

8 
9 Lauren W. Kingry
10 Superintendent of Financial Institutions

11 **CONSENT TO ENTRY OF ORDER**

12 1. Respondent acknowledges that he has been served with a copy of the foregoing
13 Findings of Fact, Conclusions of Law and Order in the above-referenced matter, has read the same,
14 is aware of his right to an administrative hearing in this matter, and has waived the same.

15 2. Respondent admits the jurisdiction of the Superintendent and consents to the entry of
16 the Foregoing Findings of Fact, Conclusions of Law and Order.

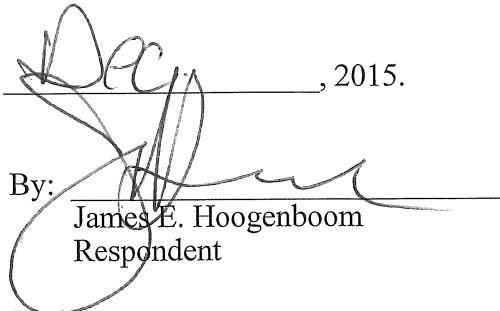
17 3. Respondent states that no promise of any kind or nature has been made to induce him
18 to consent to the entry of this Order, and that he has done so voluntarily.

19 4. Respondent agrees to refrain from seeking any future employment with any financial
20 institution or enterprise without the consent of the Superintendent of Financial Institutions.

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

25 6. Respondent waives all rights to seek judicial review or otherwise to challenge or
26 contest the validity of this Consent Order.

1 DATED this 23 day of Dec, 2015.

2
3 By: 
4 James E. Hoogenboom
Respondent

5 ORIGINAL of the foregoing filed this ¹⁶⁷⁷ day of February, ²⁰¹⁶ 2015, in the office of:

6 ~~Lauren W. Kingry~~
7 Superintendent of Financial Institutions
8 Arizona Department of Financial Institutions
9 ATTN: June Beckwith
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

10 COPY mailed/delivered same date to:

11 Liane C. Kido, Assistant Attorney General
12 Office of the Attorney General
1275 West Washington
Phoenix, AZ 85007

13 Robert D. Charlton, Assistant Superintendent
14 Jeremy Baraff, Senior Examiner
15 Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

17 AND COPY MAILED SAME DATE by
18 Certified Mail, Return Receipt Requested, to:

19 James E. Hoogenboom
120 Kousa Court
Goshen, Indiana 46526
20 Respondent

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22 4698692