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**IN THE MATTER OF:** \*  
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**KASON CREDIT CORPORATION** \*  
**d/b/a K.C.C** \*  
**NMLS # 1414138** \*  
  
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**(“Respondent”)** \*  
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**ORDER OF SUMMARY SUSPENSION**  
  
**TEMPORARY ORDER TO CEASE AND DESIST**  
  
**NOTICE OF INTENT TO REVOKE AND REFUSE TO RENEW CONSUMER COLLECTION AGENCY LICENSE**  
  
**NOTICE OF INTENT TO ISSUE ORDER TO CEASE AND DESIST**  
  
**AND**  
  
**NOTICE OF RIGHT TO HEARING**

**I. LEGAL AUTHORITY AND JURISDICTION**

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, “Consumer Collection Agencies”, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies.
2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking (“Department”), has investigated the activities of Respondent to determine if it meets the minimum standards for licensure (“Investigation”).
3. As a result of Investigation, the Commissioner has reason to believe that Respondent failed to provide the information requested and necessary to determine if it meets the minimum requirements for renewal of its license to act as a consumer collection agency in Connecticut and has violated Section 36a-17(e) of the Connecticut General Statutes.

4. As a result of the Investigation, the Commissioner finds that the public safety and welfare imperatively require emergency action to summarily suspend Respondent's license to act as a consumer collection agency in Connecticut pursuant to Sections 36a-804(a), 36a-51(a) and 4-182(c) of the Connecticut General Statutes and the public welfare requires immediate action to issue a temporary order to cease and desist against Respondent from violating Section 36a-17(e) of the Connecticut General Statutes pursuant to Section 36a-52(b) of the Connecticut General Statutes.

5. As a result of the Investigation, the Commissioner has reason to believe that such conduct constitutes sufficient grounds to revoke and refuse to renew Respondent's license to act as a consumer collection agency in Connecticut pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms a basis to issue an order to cease and desist against Respondent pursuant to Section 36a-52(a) of the Connecticut General Statutes.

## **II. MATTERS ASSERTED**

6. Respondent is a Connecticut corporation with a main office located at 90 Enfield Street, Enfield, Connecticut.

7. Respondent has been licensed to act as a consumer collection agency in Connecticut since January 30, 1979.

8. Respondent is required to submit a financial statement prepared by a certified public accountant by July 1st each year as part of its renewal requirements under Section 36a-801(b) of the Connecticut General Statutes.

9. Respondent failed to file the required financial statement for the year ending March 31, 2022 by July 1, 2022. On January 23, 2023, the Division contacted Respondent's primary company contact, Paula Nebel, via e-mail, informing her that the financial statement for the year ending March 31, 2022 was past due. In response, Ms. Nebel advised the Division that the financial statement would be uploaded by the end of the month, which Respondent failed to do.

10. On October 27, 2022, the Division posted a deficiency on Nationwide Multistate Licensing System and Registry (“NMLS”) for the required financial statements for fiscal year ending March 31, 2022 for renewal of its consumer collection agency license, which it applied for on December 28, 2022.

11. Respondent failed to file the required financial statement for the year ending March 31, 2023 by July 1, 2023. On October 30, 2023, the Division posted a deficiency for the required financial statements for fiscal year ending March 31, 2023 and sent Respondent a follow-up e-mail informing Respondent that the financial statements for fiscal year ending March 31, 2022 and March 31, 2023 were past due. Ms. Nebel responded that the financial statements would be uploaded within 10 days, which Respondent failed to do.

12. On December 29, 2023, Respondent applied for renewal of its consumer collection agency license on NMLS for the January 1, 2024 through December 31, 2024 period, which application is currently pending. Failure to file such financial statements causes the Commissioner unable to determine the financial responsibility of Respondent and whether Respondent meets the tangible net worth requirements necessary to retain its license to act as a consumer collection agency in Connecticut.

13. On January 16, 2024, pursuant to Section 4-182(c) of the Connecticut General Statutes, the Division sent Respondent a letter by electronic mail notifying Respondent that it failed to submit the financial statements required for renewal of its license for fiscal year ending March 31, 2022 and March 31, 2023, and provided Respondent with an opportunity to show compliance with all lawful requirements for the retention of its license to act as a consumer collection agency.

14. To date, Respondent has failed to respond to the Division.

### **III. STATUTORY BASIS TO REVOKE AND REFUSE TO RENEW CONSUMER COLLECTION AGENCY LICENSE AND ORDER TO CEASE AND DESIST**

15. Respondent’s failure to submit the required financial statements for the retention of its license to act as a consumer collection agency, as more fully described in paragraphs 6 through 14, inclusive,

renders the Commissioner unable to determine that the financial responsibility of Respondent is such to warrant the belief that the business will be operated soundly and efficiently, in the public interest and consistent with the purposes of Sections 36a-800 to 36a-814, inclusive, and constitutes sufficient grounds for the Commissioner to deny an application for such license under Section 36a-801(c) of the Connecticut General Statutes, and in turn constitutes sufficient grounds for the Commissioner to revoke and refuse to renew Respondent's license to act as a consumer collection agency in this state pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

16. Respondent's failure to provide the information requested during the Investigation, as more fully described in paragraphs 6 through 14, inclusive, in violation of Section 36a-17(e) of the Connecticut General Statutes. Such violation constitutes sufficient grounds to revoke and refuse to renew Respondent's license to act as a consumer collection agency in this state pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Section 36a-52(a) of the Connecticut General Statutes.

#### **IV. FINDINGS AND STATUTORY BASIS FOR ORDER OF SUMMARY SUSPENSION AND TEMPORARY ORDER TO CEASE AND DESIST**

The Commissioner finds that the public safety and welfare imperatively require emergency action to summarily suspend Respondent's license to act as a consumer collection agency in Connecticut pursuant to Sections 36a-51(a) and 4-182(c) of the Connecticut General Statutes, and finds that the public welfare requires immediate action to issue a temporary order requiring Respondent to cease and desist from violating Section 36a-17(e) of the Connecticut General Statutes, pursuant to Section 36a-52(b) of the Connecticut General Statutes, to prevent potential harm to Connecticut consumers as a result of Respondent's failure to provide the required financial statements for the Commissioner to determine

whether it is financially responsible to carry on a consumer collection agency business within the intents and purposes of sections 36a-800 to 36a-814, inclusive of the Connecticut General Statutes.

**V. ORDER OF SUMMARY SUSPENSION, TEMPORARY ORDER TO CEASE AND DESIST, NOTICE OF INTENT TO REVOKE AND REFUSE TO RENEW CONSUMER COLLECTION AGENCY LICENSE, NOTICE OF INTENT TO ISSUE AN ORDER TO CEASE AND DESIST AND NOTICE OF RIGHT TO HEARING**

**WHEREAS**, the Commissioner has reason to believe that Respondent has engaged in acts or conduct which constitutes sufficient grounds for the Commissioner to revoke and refuse to renew its license to act as a consumer collection agency in Connecticut pursuant to Section 36a-804(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes and forms a basis to issue an order to cease and desist pursuant to Section 36a-52(a) of the Connecticut General Statutes;

**AND WHEREAS**, the Commissioner has made the findings required under Sections 36a-51(a), 36a-52(b) and 4-182(c) of the Connecticut General Statutes.

**NOW THEREFORE**, pursuant to the authority granted in Sections 36a-804(a), 36a-51(a) and 4-182(c) of the Connecticut General Statutes, **THE COMMISSIONER ORDERS**, that the license of Kason Credit Corporation d/b/a K.C.C to act as a consumer collection agency in Connecticut be and is hereby **SUMMARILY SUSPENDED** pending proceedings to revoke and refuse to renew its license.

**THE COMMISSIONER FURTHER ORDERS**, pursuant to the authority granted in Section 36a-52(b) of the Connecticut General Statutes, that Kason Credit Corporation d/b/a K.C.C immediately **CEASE AND DESIST** from further violations of Section 36a-17(e) of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by Kason Credit Corporation d/b/a K.C.C and, unless set aside or modified by a court, shall remain in effect until the effective date of a permanent order or dismissal of the matters asserted in this Temporary Order to Cease and Desist.

**THE COMMISSIONER FURTHER ORDERS**, pursuant to Sections 36a-51(a) and 36a-52(b) of the Connecticut General Statutes, that Kason Credit Corporation d/b/a K.C.C shall take the following actions:

1. Upon receipt of this Temporary Order to Cease and Desist, Respondent and any and all officers, directors, trustees, principal employees, shareholder and agents acting on its behalf, shall immediately cease and desist from acting as a consumer collection agency in this state, provided that Respondent is permitted to perform the winding down of its Connecticut consumer collection activities as provided herein;
2. No later than fourteen (14) days after receipt of this Temporary Order to Cease and Desist, Respondent shall perform a detailed accounting of all Connecticut consumer debtor accounts, including but not limited to, names and addresses of Connecticut consumer debtors and the amount of funds and fees collected from each consumer debtor, and provide copies of such detailed accounting to: (a) all clients that currently have Connecticut consumer debtor accounts placed with Respondent (“CT Clients”), and (b) the Division;
3. No later than fourteen (14) days after receipt of this Temporary Order to Cease and Desist, Respondent shall perform a detailed accounting of its trust account for CT Clients and ensure that only monies due to CT Clients are held in such account. Evidence of such accounting shall be provided to the Division;
4. Upon receipt of this Temporary Order to Cease and Desist, Respondent, shall notify all CT Clients of the existence of this Order of Summary Suspension, Temporary Order to Cease and Desist, Notice of Intent to Revoke and Refuse to Renew Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist, and Notice of Right to Hearing and that Respondent’s consumer collection agency license in Connecticut has been summarily suspended, pending proceedings for revocation and refusal to renew. Respondent shall provide evidence of such notification to the Division no later than fourteen (14) days after receipt of this Temporary Order to Cease and Desist;
5. Respondent shall immediately secure all records, files and documents relating to its consumer collection activity in Connecticut (collectively, “Records”). The Records shall be available to the Commissioner in their entirety upon request;
6. Respondent shall immediately remit all monies held in trust for CT Clients and any future monies received relating to Connecticut consumer debtor accounts to CT Clients. No later than thirty (30) days after the date of this Temporary Order to Cease and Desist, Respondent shall submit evidence of compliance with this paragraph to the Division, including but not limited to, receipts confirming the transmittal of funds, check numbers for payments issued and an accounting of amounts paid to each CT Client;
7. Respondent shall immediately place any unearned fees relating to consumer collection activity on Connecticut consumer debtor accounts in a separate escrow account at a federally-insured bank, Connecticut credit union, federal credit union or out-of-state bank that maintains in this state a branch as defined in Section 36a-410(1) of the Connecticut General Statutes, and notify the Division of the account number and location of such account; and

8. All notifications to the Division required pursuant to these paragraphs shall be directed to Carmine Costa, Director, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or carmine.costa@ct.gov.

**FURTHER**, notice is hereby given to Respondent that the Commissioner intends to **REVOKE AND REFUSE TO RENEW** Respondent's license to act as a consumer collection agency in Connecticut, and to issue an order requiring Respondent to **CEASE AND DESIST** from violating Section 36a-17(e) of the Connecticut General Statutes, subject to Respondent's right to a hearing on the allegations set forth above.

A hearing will be granted to Respondent if a written request for a hearing is received by the Department of Banking, Consumer Credit Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to [DOB.hearingsupport@ct.gov](mailto:DOB.hearingsupport@ct.gov) within fourteen (14) days following Respondent's receipt of this Order of Summary Suspension, Temporary Order to Cease and Desist, Notice of Intent to Revoke and Refuse to Renew Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist and Notice of Right to Hearing as set forth in Section 36a-52(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes. This Order of Summary Suspension, Temporary Order to Cease and Desist, Notice of Intent to Revoke and Refuse to Renew Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist and Notice of Right to Hearing shall be deemed received on the earlier of the date of actual receipt, or seven (7) days after mailing or sending. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above-referenced addresses. If Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se".

If a hearing is requested, it will be held in person at the Department's offices. Once a written request for a hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and





**CERTIFICATION**

I hereby certify that on this 2nd day of August 2024, the foregoing Order of Summary Suspension, Temporary Order to Cease and Desist, Notice of Intent to Revoke and Refuse to Renew Consumer Collection Agency License, Notice of Intent to Issue Order to Cease and Desist and Notice of Right to Hearing was sent by electronic mail to Kason Credit Corporation d/b/a K.C.C, Attention: Paula Nebel, COO, who is designated as the primary contact in the contact employee fields on the Nationwide Multistate Licensing System and Registry, at the electronic address provided therein.

/s/  
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Swarupa Madhavan  
Paralegal