
IN THE MATTER OF:
BH DEBT CO.
a/k/a BH DEBT CO, INC.
("Respondent")

TEMPORARY ORDER TO CEASE AND
DESIST
ORDER TO MAKE RESTITUTION
NOTICE OF INTENT TO ISSUE ORDER
TO CEASE AND DESIST
NOTICE OF INTENT TO IMPOSE
CIVIL PENALTY
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", as amended, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies ("Regulations").

2. Pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department of Banking ("Department"), has investigated the activities of Respondent to determine if it has violated, is violating or is about to violate the provisions of the Connecticut General Statutes or the Regulations within the jurisdiction of the Commissioner ("Investigation").

3. As a result of the Investigation, the Commissioner has reason to believe that Respondent has violated Section 36a-801(a) of the Connecticut General Statutes in effect at such time and Section 36a-17(e) of the Connecticut General Statutes.

4. As a result of the Investigation, the Commissioner finds that the public welfare requires immediate action to issue a temporary order to cease and desist against Respondent from violating

Section 36a-801(a) of the 2026 Supplement to the General Statutes and 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 violations alleged by the Commissioner form the basis to issue an order to make restitution against Respondent pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes.

6. As a result of the Investigation, the violations alleged by the Commissioner form the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes.

7. As a result of the Investigation, the violations alleged by the Commissioner form the basis to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes.

II. MATTERS ASSERTED

8. Based upon information and belief, Respondent is a Delaware corporation with an office located at 12115 Magnolia Blvd #36, North Hollywood, California.

9. Respondent has never been licensed to act as a consumer collection agency in Connecticut.

10. During an examination of a licensed consumer collection agency (“Licensee”), the Department obtained records indicating that Respondent placed twenty-seven (27) Connecticut consumer collection accounts, on October 10, 2019 and May 19, 2023, with the Licensee for collection.

11. The Licensee collected from two (2) of the consumer collection accounts and engaged in collection activity for the other twenty-five (25) consumer collection accounts.

12. The records provided by the Licensee showed that Respondent was engaged in consumer collection activity in this state.

13. On January 7, 2026, the Department sent a letter through certified mail, return receipt requested, to Respondent stating that Respondent may be engaged in unlicensed consumer collection activity in this state by engaging in the business of debt buying without a license and requested that

Respondent provide records, of any collection activity conducted by Respondent in Connecticut during the preceding two years, on or before January 23, 2026.

14. On January 22, 2026, the Department received confirmation that the letter was signed and received on behalf of Respondent on January 15, 2026.

15. On March 25, 2026, the Department again sent a letter to Respondent through certified mail, return receipt requested, and regular mail reiterating the concern of unlicensed consumer collection activity in this state and requesting a response from Respondent.

16. On March 30, 2026, the certified mail was delivered to Respondent. To date, the regular mail sent on March 25, 2026 was not returned to the Department as undeliverable for any reason.

17. To date, Respondent has failed to provide to the Department any response or otherwise provide the information requested during the Investigation.

III. STATUTORY BASIS FOR ORDER TO CEASE AND DESIST AND IMPOSITION OF CIVIL PENALTY

18. Respondent's acting as a consumer collection agency in this state without a consumer collection agency license, at least since October 10, 2019, as more fully described in paragraphs 8 through 17, inclusive, constitutes violations of Section 36a-801(a) of the Connecticut General Statutes in effect at such time. Such violations form the basis to issue an order to make restitution pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

19. Respondent's failure to provide information requested during the Investigation, as more fully described in paragraphs 8 through 17, inclusive, constitutes violation of Section 36a-17(e) of the Connecticut General Statutes. Such violation forms the basis to issue an order to cease and desist against

Respondent pursuant to Section 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Section 36a-50(a) of the Connecticut General Statutes. Section 36a-50(a) of the Connecticut General Statutes authorizes the Commissioner to impose a civil penalty upon Respondent in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation.

IV. FINDING AND STATUTORY BASIS FOR TEMPORARY ORDER TO CEASE AND DESIST

The Commissioner finds that the public welfare requires immediate action to issue a temporary order requiring Respondent to cease and desist from violating Section 36a-801(a) of the 2026 Supplement to the General Statutes and Section 36a-17(e) of the Connecticut General Statutes, and requiring Respondent to take such action as set forth herein to effectuate the purposes of Section 36a-52(b) of the Connecticut General Statutes, in that the interests of Connecticut consumer debtors are being prejudiced by Respondent's collecting and attempting to collect debts of Connecticut consumer debtors without a consumer collection agency license in Connecticut.

V. TEMPORARY ORDER TO CEASE AND DESIST, ORDER TO MAKE RESTITUTION NOTICE OF INTENT TO ISSUE ORDER TO CEASE AND DESIST, NOTICE OF INTENT TO IMPOSE CIVIL PENALTY AND NOTICE OF RIGHT TO HEARING

WHEREAS, the Commissioner has reason to believe that Respondent has engaged in acts or conduct which forms a basis to issue an order to make restitution against Respondent pursuant to Sections 36a-804(b) and 36a-50(c) of the Connecticut General Statutes, an order to cease and desist against Respondent pursuant to Sections 36a-804(b) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty upon Respondent pursuant to Sections 36a-804(b) and 36a-50(a) of the Connecticut General Statutes;

AND WHEREAS, the Commissioner has made the finding required under Section 36a-52(b) of the Connecticut General Statutes.

THE COMMISSIONER THEREFORE ORDERS, pursuant to the authority granted in Section 36a-52(b) of the Connecticut General Statutes, that BH Debt Co. a/k/a BH Debt Co, Inc. immediately

CEASE AND DESIST from any further violation of Section 36a-801(a) of the 2026 Supplement to the General Statutes and Section 36a-17(e) of the Connecticut General Statutes. This Temporary Order to Cease and Desist shall become effective upon receipt by BH Debt Co. a/k/a BH Debt Co, Inc., 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 the authority granted in Sections 36a-17 and 36a-52(b) of the Connecticut General Statutes, that BH Debt Co. a/k/a BH Debt Co, Inc. shall:

No later than fourteen (14) days after receipt of this Temporary Order to Cease and Desist, BH Debt Co. a/k/a BH Debt Co, Inc. shall provide to Swarupa Madhavan, Paralegal, Consumer Credit Division, Department of Banking, 280 Trumbull Street, 16th Floor, Hartford, Connecticut 06103, or swarupa.madhavan@ct.gov, the following: an itemized list of each Connecticut consumer debtor account for which BH Debt Co. a/k/a BH Debt Co, Inc. has collected on or attempted to collect, directly or indirectly, since October 1, 2019, including (1) the name, address, e-mail address, and telephone number of each consumer debtor, (2) the date of purchase, charge off date, creditor name, purchase amount, current balance, current status of account and last attempt to contact each Connecticut consumer debtor, (3) name of any collection agency the debt was assigned to and date(s) of assignment, (4) full itemization of each consumer debtor's payments made since June 1, 2016, specifying the dates, amounts and to whom such payments were made; and (5) copies of any evidence of indebtedness for such accounts.

THE COMMISSIONER FURTHER ORDERS, pursuant to Section 36a-50(c) of the Connecticut General Statutes, that BH Debt Co. a/k/a BH Debt Co, Inc. **MAKE RESTITUTION** of any sums obtained as a result of BH Debt Co. a/k/a BH Debt Co, Inc. violating Section 36a-801(a) of the Connecticut General Statutes, plus interest at the legal rate set forth in Section 37-1 of the Connecticut General Statutes, since October 1, 2019. Specifically, the Commissioner **ORDERS** that: Not later than thirty (30) days from the date this Order to Make Restitution becomes permanent, BH Debt Co. a/k/a BH Debt Co, Inc. shall:

Promptly refund all payments made by Connecticut consumer debtors that were collected by BH Debt Co. a/k/a BH Debt Co, Inc. since October 1, 2019. Payments shall be made by cashier's check, certified check or money order and provide evidence of such refund to Swarupa Madhavan, Paralegal, Consumer Credit Division, Department of Banking, 280 Trumbull Street, 16th Floor, Hartford, Connecticut 06103, or swarupa.madhavan@ct.gov.

NOW THEREFORE, notice is hereby given to Respondent that the Commissioner intends to issue an order requiring Respondent to **CEASE AND DESIST** from violating Section 36a-801(a) of the 2026

Supplement to the General Statutes and Section 36a-17(e) of the Connecticut General Statutes, and to impose a **CIVIL PENALTY** upon Respondent as set forth herein, 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, 280 Trumbull Street, 16th Floor, Hartford, Connecticut 06103 or submitted by e-mail to DOB.hearingsupport@ct.gov within fourteen (14) days following Respondent's receipt of this Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing as set forth in Sections 36a-52(a) and 36a-50(a) of the Connecticut General Statutes. This Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty 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 Section 36a-1-21 of the Regulations. At the discretion of the Hearing Officer, for good cause shown, the Hearing Officer may approve requests for remote participation in the hearing by a Respondent, witness, or attorney. If such requests are approved by the Hearing Officer, such remote participation will be conducted via videoconference. If a hearing is requested, the hearing will be held on July 8, 2026, at 10 a.m.

If a hearing is requested, it will be held in accordance with the provisions of Chapter 54 of the Connecticut General Statutes, unless Respondent fails to appear at the requested hearing. At such hearing, Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner. Remote participation in a hearing will be held in accordance with Section 1-225a of the Connecticut General Statutes, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>.

If Respondent does not request a hearing within the time prescribed or fails to appear at any such hearing, the allegations herein will be deemed admitted. Accordingly, the Order to Make Restitution shall remain in effect and become permanent, and the Commissioner will issue an order that Respondent cease and desist from violating Section 36a-801(a) of the 2026 Supplement to the General Statutes and Section 36a-17(e) of the Connecticut General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent.

Dated at Hartford, Connecticut,
This 6th day of May 2026.

/s/

Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 7th day of May 2026, the foregoing Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing was sent by certified mail, return receipt requested, to BH Debt Co. a/k/a BH Debt Co, Inc., 12115 Magnolia Blvd #36, North Hollywood, California 91607, Certified Mail No. 7015 1730 0002 2411 3786 and to its registered agent for service Harvard Business Services, Inc., 16192 Coastal Hwy., Lewes, Delaware 19958, Certified Mail No. 7015 1730 0002 2411 3793.

/s/

Swarupa Madhavan
Paralegal