



NVE MISSION #7: Helping customers turn their dream home into reality.

Refinancing or buying a home?

Limited time offer beginning June 6th. Restrictions apply.



You belong here.

APPLY FOR A MORTGAGE LOAN FROM NVE BANK AND GET

\$549

AT CLOSING!



[more info](#)

Home : News : Business

Story tools

- Comments: 2
- E-mail this story
- Print this story
- Decrease Font Size
- Increase Font Size



Feds go after Bergen County debt collector

Thursday, April 29, 2010
LAST UPDATED: THURSDAY APRIL 29, 2010, 2:42 PM

BY HUGH R. MORLEY
THE RECORD
STAFF WRITER

For years, authorities across the U.S. have accused Bergen County debt collector Jack H. Boyajian of using illegal methods to squeeze debtors.



Now, the federal government, saying he owes \$666,219 in back taxes, is demanding Boyajian pay his own debt —

Join a Fidelity Branch Team

Experience the power of Fidelity

Fidelity Careers

Fidelity Investments is an equal opportunity employer.





FILE PHOTO

A federal lawsuit seeks a foreclosure sale on this Saddle River property to pay off \$666,219 in back taxes they say is owed by Bergen County debt collector Jack H. Boyajian.

while not a dismissal, means the debtor is no longer liable for certain debts.

Jack H. Boyajian timeline

1989: Buys Far Hills Realty Management of Far Hills.

1990: Hit with a lien for unpaid federal employee taxes.

1996: Signs consent decree with the federal government over the practices of G&L Financial Services Inc., of which he was president.

1998: Company goes out of business. He becomes the president of JBC & Associates Inc. of Bloomfield, later named JBC Legal Group P.C.

1999: Admitted to the state bar of California.

2004: Forms Boyajian Law Offices P.C. of Rutherford; signs agreement with Connecticut attorney general to stop collecting in the state; sues to overturn an IRS penalty for not paying employee taxes.

and going after a multimillion-dollar home in Saddle River it says he owns.

Yet the government is just one of numerous creditors chasing Boyajian. And some may be out of luck.

Last week, Boyajian was discharged from U.S. District Bankruptcy Court in Newark, where he filed for bankruptcy last August claiming debts of \$3.8 million and assets of less than \$50,000. A discharge,

The more than 100 creditors listed by Boyajian include the attorneys general from five states with claims totaling \$670,000. Another creditor, Robert Khoury of Paramus, says he is owed \$700,000 of a \$1 million loan he made to Boyajian because of false representations made in a real estate deal.

The federal government's suit, filed April 8, is the latest in a string of legal problems for Boyajian stretching back 15 years, most relating to debt collection businesses he ran from offices in Rutherford,

BREAKING NEWS



Englewood Hospital gets \$1.5M grant ...

- Princeton University demographer Norman Ryder dies at 86 [THE RECORD](#)
- Campbell Soup to sell tea (veggies included) [THE RECORD](#)
- N.J. top court rules police must explain DWI test laws in native language [THE RECORD](#)
- Bristol-Myers Squibb starts recall of Coumadin [THE RECORD](#)
- N.J. Gov. Christie sets fall timeframe for more pension changes [STATE HOUSE BUREAU](#)
- Fed looks for ways to aid small business lending [THE RECORD](#)
- Stock watch: July 12, 2010 [THE RECORD](#)
- Jon Bon Jovi injures leg at New Jersey concert [THE RECORD](#)
- Fire damages Wayne floral shop [THE RECORD](#)
- Pair charged in murder attempt in Hackensack carjacking [THE RECORD](#)
- N.J. Gov. Christie named to ... [THE RECORD](#)

MOST READ



N.J. hospital group wants to sell pot

Last 48 Hours

2006: Sued by New York attorney general for "illegal and abusive practices;" ordered to pay the back taxes by a federal judge.

2007: Sued by Arkansas attorney general.

2009: Files for bankruptcy; gives up law license after California State Bar takes action against him.

2010: March — signs a consent decree with Colorado that prohibits him from collecting debts in the state for five years; April — sued by the U.S. Department of Justice seeking to foreclose on Saddle River home to pay off his tax debt.

Sources: Colorado consent agreement; New York attorney general; Connecticut attorney general; court papers

Bloomfield and California.

A 2008 report filed with a California court by that state's legal bar alleged that in the previous five years, Boyajian and his companies had faced more than 1,000 consumer complaints, 129 consumer lawsuits, and 10 enforcement actions by attorneys general and other state agencies.

The states' accusations against Boyajian and his companies included claims that he added improper fees to debts, falsely represented the amount owed

and harassed debtors by calling late at night or at work, sometimes using abusive language.

Boyajian did not respond to requests for comment at his business, and no one responded to inquiries at the Saddle River property.

Charles Stanziale, the bankruptcy trustee who represents creditors in the case, pledged to fight the court's discharge.

"Somebody made a mistake," said Stanziale, who in January filed a complaint offering seven reasons why the Bankruptcy Court should reject Boyajian's request to walk away from his debts.

Stanziale's complaint cited Boyajian's accumulation of debt by "false pretenses, a false reputation and actual fraud," and the enforcement actions by state attorneys general. The complaint also said Boyajian continued to conceal assets from creditors, using trusts and corporate entities, even after the bankruptcy filing.

"Bankruptcy is for honest debtors," said Stanziale, who filed new papers opposing the discharge Monday. "This guy, I allege, is not the average honest debtor who needs a fresh start. This guy committed fraud, and he is not entitled to have his debts released."



Northjersey.com's guide to businesses and services

Find:

Enter name or type of business

Near:

Enter city & state, or ZIP

Search

Popular Searches

Papers filed by Boyajian's attorney dismiss Stanziale's claims, saying he does not have the legal basis or evidence to support them.

Boyajian has lived mostly in New Jersey and had law offices here but was never licensed to practice law in the state. Instead, he traveled once or twice a month to his office in California, where he held a license that he "leveraged ... for improper purposes" in other states, according to the California bar report.

A consent agreement signed in March by Colorado's attorney general and Boyajian, which prohibited him from collecting debts in that state for five years, documented his turbulent debt-collecting career.

The state said Boyajian and two other attorneys attempted to collect on bad checks that were outside the statute of limitations for legal action, and the consent agreement barred him and three Boyajian companies from collecting in the state. Those companies were JBC & Associates P.C. and JBC Legal Group P.C., both of Bloomfield, and Boyajian Law Offices P.C. of Rutherford.

The agreement said that in 1996, Boyajian signed consent papers with federal authorities that prohibited a company he ran, G&L Financial Services Inc., from using "false representations or deceptive means" to collect debts. Shortly after, in a tactic Boyajian later repeated, the company went out of business and so became "judgment proof," the agreement says.

Boyajian then formed JBC & Associates Inc., which also faced "numerous" lawsuits over collection practices, the consent agreement says. By the mid-1990s, the company, with 75 employees, was sending 20,000 to 30,000 debt-collection notices a month, the California report said.

But Boyajian again changed the company's name, and eventually closed it down, opening Boyajian Law Offices, the agreement with Colorado says.

Other states that have targeted Boyajian's businesses include New Jersey, which launched a probe in 2008 after receiving 508 complaints, the California bar report says. Connecticut also investigated, as did New York, which accused Boyajian and his companies of "fraudulent, deceptive and illegal practices."

Arkansas filed suit over alleged deceptive practices in 2007 and is trying to prevent

Boyajian from using the bankruptcy to avoid any penalties that may result from the suit.

The federal government's suit, filed in U.S. District Court in Newark, accuses Boyajian of fraudulently transferring \$1 million to a family member to buy the Saddle River house, and so protect it from government efforts to collect on a judgment for back employee taxes. The taxes, owed from 1989 to 1992, were unpaid by a company at the time owned by Boyajian, Far Hills Community Management, according to court records.

The government claims that in 2004, instead of paying off the tax debt, Boyajian "provided" \$1 million to a family member, Araxie Boyadjian, who then bought a house on Glenwood Drive, for \$4.25 million. Although the property is not listed to Boyajian, he lives in the property and is the "de facto, equitable owner," the suit says.

Federal authorities want the court to rule that Araxie and Helen Boyadjian own the Glenwood Drive property as "nominees" of Boyajian and allow a foreclosure sale to raise money to pay the tax debt.

Neither Araxie nor Helen Boyadjian could be reached for comment.

E-mail: morley@northjersey.com

Reader Comments (2)

Reminder: Our comments section is governed by our [Terms of Service](#) and [Privacy Policy](#)

Please report comments that violate the terms of service.

1. Thursday April 29, 2010, 11:32 AM - **royallen** says:
this guy is,was,and will always be a thug.....
2. Thursday April 29, 2010, 9:25 AM - **njnjn** says:
this is outrageous! is this guy keeping his mansion? He says he only has \$50K in assets? How fraudulent. Either this guy is really smart or really stupid. Oh and now Christie is giving him a tax break too?!--- you know that rich person's tax break....

Share your view:

You have to [register](#) before you can post comments or use our advanced features.

User Name:

Password:

Ads from Google

[Don't Pay Debt Collectors](#)

[Sue Harassing Debt Collectors. Make Them Pay You. 100% Free & Fast Help](#)

WeStopDebtCollectors.com/FDCPA_Help



Ads by Google

NEWS

Bergen
Passaic
Morris
Hudson
Sussex
State
NY Metro News
National
International
Business & Tech
Crime & Courts
Education
Environment & Energy
Immigration
Non-Profit
Opinion & Letters
Politics
Transportation
Traffic

OBITUARIES

REAL ESTATE

News
Sales & Taxes
For Sale
For Rent
North Jersey Homes

SPORTS

Bob Klapisch
Tara Sullivan
Pro Sports
NFL
MLB
NHL
NBA
Golf
Other Pro
College Sports
High School Sports
High School Stat Central
Amateur / Adult Sports
Rec & Travel Sports

FOOD & DINING

Food News
Dining Guide
Dining News
Recipes
Vegetarian Recipes
Recent Record Reviews
The Record's Elisa Ung
Wine, Beer & Spirits
Marketplace / Food
Shopping
Restaurant Profiles
Health Violations

COMMUNITY

Announcements
At the Library
Clubs / Service Orgs
Family
Recreation
History
House & Gardening
Kids
Pets
Religion
Seniors
Teens
Weddings / Celebrations /
Socials

TRAVEL

Deals
Jill Schensul
Destinations US
Destinations International
Destinations Cruise
Family Travel
Quick Getaways
Record Readers on the Road
Announcements

FOLLOW US ON TWITTER

HEALTH & HEALTHCARE

Hospitals
Insurance & HMOs
Adolescent Health
Ask a Pediatrician
Autism / Special Needs
Fitness
Diet / Nutrition
Addiction
Medication / Therapies
Research
Other Health News

ARTS & ENTERTAINMENT

Calendar
Bill Ervolino
Music Scene / Jim
Beckerman
Movies
Television
5 Things to Do
Theater
Comedy
Entertainment News
Art
Books
Radio

SPORTS BLOGS

Amazin' Stories
Chip Shots
Fire & Ice
Green Machine
In the 'Zzone
Knick Knacks
Pinstripe Posts
Ranger Rants
True Blue
Varsity Aces
Bend it Like Bondy
Ring Posts
Maroon Illustrated
Northern Valley Ice
The GroVer
Stape's Scene

MORE BLOGS

A Thousand Words
Bench Warmer
Capital Games
Compostings
Ervolino
Follow the Bride
Fresh Jersey
In The Arena
Open Road
Second Helpings

THIS WEB SITE

About
Contact
Terms of Service
Privacy Policy
Buy Photos/Pages
Archives
Sitemap

OTHER WEBSITES

201.net
201Bride.net
201Health.net
North Jersey Images.com
Parent Paper

NEWSPAPERS

The Record and Herald
News
The Record e-edition
Community Newspapers
Subscriptions & Customer
Care
To Advertise
Promotions

MAGAZINES

(201) Magazine
Other Magazines

SPECIAL REPORTS

Remembering 1969
Target: Corruption
Xanadu
Toxic Legacy
EnCap

Lottery
Games and More

Events
Announcements
Grocery Coupons

SHOPPING

Chains & Malls
Downtown Shopping
Fashion
Gadgets, Gizmos & More
New Products

NorthJersey.com Breaking
News
High School Sports live
game scores
Bob Klapisch on Sports
Tom Gulitti on the NJ
Devils
North Jersey Dining Scene
The Big Deal
Suburban Trends

Atlantic City & Gaming
Celebrities
Announcements
Events
Concerts / Live
Performances
Auditions
At the Library

FIND US ON

ShopTalk
The Way I See It
Your Money's Worth
Common Sense
The Gadfly
Heather on Style
In This Corner
Completely Lost
Can I Have My Money
Back?

CORPORATE INFORMATION

About North Jersey Media
Group
Office Locations
Corporate History
Custom Publishing
Buy Books
Foundation

From Article at
GetOutOfDebt.org

Daily Horoscopes

PHOTO GALLERIES

VIDEOS

WEATHER

Your Money's Worth /
Kevin DeMarrais
Online Shopping
Other Shopping News
Announcements
Events
Grocery Coupons

AIM Newspapers

SEE IT. FIX IT.

FACEBOOK

The Record
NorthJersey.com
Varsity Aces
201.net

COLUMNISTS

Reader Rewards

Table Talk
SportsBiz

**(201)HEALTH
DOCTOR BLOGS**

Barasch: Sleep
Germinario: Internal
Hersh: Sports Medicine
Kelly: Orthopaedic
Korst: Thoracic
Zapolanski: Cardiac

Green Statement

Reprints & Permissions

CHANCE TO WIN \$1,000!

Opinions are important to us.

Make *NorthJersey.com* a
favorite for you by participating
in our survey.

[SURVEY NOW - CLICK HERE](#)

[no thanks](#)

Your Partner: North Jersey Images | (201) | (201) Bride | (201) Health | Parade | 1010 WINS | MyFoxNY | My9 | boocoo auctions

© 2010 North Jersey Media Group

From Article at
GetOutOfDebt.org