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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**
6 **ENFORCEMENT SECTION**

7
8 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
9 **OF CONSUMER AND BUSINESS SERVICES**

10 **In the Matter of:**

B-05-0041-22

11 **RETURN TRUST FOUNDATION, an**
12 **Oregon corporation, CHUCK KELSO and**
13 **SUSAN J. COOK,**

FINAL ORDER TO CEASE AND
DESIST ENTERED BY DEFAULT

Respondents.

14 On July 11, 2005, the Director of the Department of Consumer and Business
15 Services for the State of Oregon (hereafter "the Director"), acting by and pursuant to the
16 authority of the Oregon Banking Laws, Oregon Revised Statutes ("ORS") Chapters 705,
17 706, 707 and 722, and other applicable authority (hereinafter cited as "the Oregon
18 Banking Law"), issued Administrative Order No. B-05-0041-32 **ORDER TO CEASE**
19 **AND DESIST AND NOTICE OF RIGHT TO A PUBLIC HEARING** ("the Proposed
20 Order") against Respondents Return Trust Foundation, Chuck Kelso and Susan J. Cook

21 On or about July 18, 2005, a true copy of the Proposed Order was served by
22 Certified United States Mail, postage prepaid, addressed to the Respondents at P.O.
23 Box 2992, Rancho Cucamonga, California 91729.

24 **NOW THEREFORE**, after consideration of the Investigation Report and
25 accompanying exhibits submitted in this matter by Margaret V. Green, the Director
26 hereby issues the following Findings of Fact, Conclusions of Law, and Final Order.

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FINDINGS OF FACT

The Director makes the following Findings of Fact:

1. Return Trust Foundation (hereinafter "Respondent RTF") is registered with the Oregon Secretary of State as an Oregon domestic non-profit corporation.

Respondent RTF was incorporated on November 30, 1993. Respondent RTF filed its principal place of business as 9600 SW Seely, Suite 3, Wilsonville, Oregon 97070. It also listed with the Oregon Secretary of State a mailing address of PO Box 2992, Rancho Cucamonga, California. Chuck Wilson (hereinafter "Respondent Wilson") is listed as the president of Respondent RTF with an address of 9600 SW Seely, Suite 3, Wilsonville, Oregon 97070 and Susan J. Cook (hereinafter "Respondent Cook") is listed as the secretary of Respondent RTF at the same address. The Oregon Secretary of State administratively dissolved RTF on January 28, 2005.

2. Respondent RTF used or uses the name set out above in the solicitation or transaction of its business.

3. Wally Green (hereinafter "Green") is listed as the registered agent for Respondent RTF, a registration having been filed with the Oregon Secretary of State, Corporations Division, listing him with an address of 9600 SW Seely, Suite 3, Wilsonville, Oregon 97070.

4. ORS 56.023 (1) requires a certificate issued under ORS 705.635 for a business registry filing to be appropriately made with the Oregon Secretary of State if the name is to contain, inter alia, the word or words "banc," "bancorp," "bank," "trust," or "trustee," or their equivalents in English or another language.

5. ORS 705.635 sets out the procedure by which a person may submit a request to the Director for a certificate of compliance with the Oregon banking requirements, which would permit the person to lawfully file a business registry with the Secretary of State as set forth in ORS 56.023 (1).





1 6. Respondent RTF has not applied for, or been previously granted, a
2 certificate pursuant to ORS 705.635. Respondent RTF has not been otherwise
3 approved to conduct a banking business as defined in ORS 706.005 (6) or 722.012.

4 7. ORS 705.638 imposes regulations on businesses engaging in banking
5 activities. It states in relevant part that, “[a] company organized under the laws of this
6 state for the purposes of conducting a banking business as defined in ORS 706.005 (6)
7 either within or outside this state shall be organized under ORS chapter 707” and, “[a]
8 company organized under the laws of this state to transact savings and loan business
9 as defined in ORS 722.004 (25) either within or outside this state shall be organized
10 under ORS chapter 722.” ORS 705.638(2) and (3) respectively. Respondent RTF is
11 not organized under these statutes.

12 8. On behalf of the Director, staff of the Banking Section of the Division of
13 Finance and Corporate Securities (“Division”) undertook to inquire and investigate the
14 circumstances under which Respondent RTF had come to use the word “bank,” “trust”
15 or any derivative thereof as set forth in ORS 56.023 in its name. Specifically, Division
16 staff undertook the following during the period beginning at least as early as December
17 1, 2004 through the present:

18 a. The Division reviewed and analyzed information from the Oregon
19 Secretary of State, Corporations Division, reflecting the Respondents’ registration
20 therewith.

21 b. The Division made significant attempts to contact the Respondents,
22 including multiple mailings to the Respondents directly, through the Registered
23 Agent, or both.

24 c. The Division requested that the Respondents contact the Division, and
25 requested that the Respondents comply with the requirements of ORS 705.635.
26 Respondents failed to contact the Division, failed to provide adequate information



1 about their business and operations, and failed to amend their business registry
2 filings to comply with Oregon law.

3 9. ORS 707.005 states that "[i]t is unlawful for any person to engage in or
4 transact a banking or trust business within this state except by means of an entity duly
5 organized for the purpose."

6 10. ORS 707.010 prohibits a person who has not received from the Director a
7 certificate to do banking business from doing any of the following:

8 (a) Advertising that it is receiving or accepting money on deposit;

9 (b) Using a sign at its place of business containing words indicating that the
10 place is a place of business: (i) of a banking institution; (ii) where deposits are
11 received or payments made on check; or (iii) where any other form of banking
12 business is transacted;

13 (c) Making use of or circulating any letterheads, blank notes, blank receipts,
14 certificates, circulars or any written or printed paper containing words indicating
15 that the business is the business of a banking institution;

16 (d) Transacting business under any name that the Director determines leads
17 the public to believe that its business is that of a banking institution or that it is
18 affiliated with a banking institution; or

19 (e) Soliciting or receiving deposits or transacting business in the manner of a
20 banking institution or in such a manner as to lead the public to believe that its
21 business is that of a banking institution.

22 ORS 722.012 imposes similar requirements on entities operating as a savings
23 and loan or with the words "savings and loan" in its name.

24 11. Respondents have filed a name with the Oregon Secretary of State that
25 has the word "bank," "trust," or a derivative thereof in its name as set forth in ORS
26 56.023, and/or implies or may imply that these Respondents are conducting a banking

1 business or are affiliated with a banking institution.

2 **CONCLUSIONS OF LAW**

3 The Director **CONCLUDES** that:

4 12. Respondents violated Oregon law, including but not limited to ORS
5 56.023, 705.635 and 707.010 by failing to obtain a certification from the Division as
6 required by Oregon Law, failing to properly list their name with the Oregon Secretary of
7 State, and by improperly registering to do business in Oregon using at least one of the
8 terms or equivalent thereof set forth in ORS 56.023, without first obtaining the certificate
9 required under ORS 705.635.

10 13. By virtue of their registration with the Oregon Secretary of State,
11 Corporations Division, and other materials by which they hold themselves out for
12 business, Respondents have used at least one sign at or in the conduct of their
13 businesses containing words indicating that the place is a place of business of a
14 banking institution where deposits are received, or payments made on check or where
15 any other form of banking business is transacted. Respondents are soliciting or
16 transacting business in violation of ORS 707.010.

17 14. Respondents have failed to comply with the registration and certification
18 requirements under the Oregon Banking Laws, including but not limited to ORS
19 707.635, 707.638, 707.005, 707.010 and/or 722.012. Respondents have failed to meet
20 the necessary requirements to register or file their names with the Oregon Secretary of
21 State. Respondents have used the word "bank," "trust," or a derivative thereof as set
22 forth in ORS 56.023, in their names in violation of the statutes set out in this paragraph.

23 **ORDER**

24 The Director, pursuant to ORS 705.640 and ORS 59.885 (4) hereby **ORDERS**
25 that Respondents Return Trust Foundation, Chuck Kelso and Susan J. Cook each

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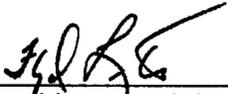
Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 **CEASE AND DESIST** from violating any provision of Oregon Law as set forth above,
2 and any rule, order or policy issued by the Division.

3 Dated this 15th day of August, 2005 at Salem, Oregon NUNC PRO TUNC
4 July 11, 2005.

5 CORY STREISINGER, Director
6 Department of Consumer and Business Services

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9 _____
10 Floyd Lanter, Administrator
11 Division of Finance and Corporate Securities

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