

1 BEFORE THE DIRECTOR OF THE
2 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
3 DIVISION OF FINANCE AND CORPORATE SECURITIES
4 FINANCE SECTION
5 STATE OF OREGON

6 In the Matter of:) No. CF-05-0061
7) ORDER TO CEASE AND DESIST
8 RAQUEL HERNANDEZ PEREZ) ORDER ASSESSING CIVIL
9 aka) PENALTIES
10 RAQUEL PERES TORRES) AND
11) ENTERED BY DEFAULT
12) RESPONDENT

13 On July 15, 2005 the Director of the Department of
14 Consumer and Business Services (hereinafter the "Director"),
15 acting by the authority of the Oregon Consumer Finance Law,
16 chapter 725 of the Oregon Revised Statutes (hereinafter cited
17 as ORS 725), issued Administrative Order CF-05-0061, Order to
18 Cease and Desist, Order Imposing Civil Penalties and Notice of
19 Right to Hearing. Service was effected by Investigator Chris
20 Aldrich personally handing a true copy of said Administrative
21 Order to Raquel Hernandez-Perez at her residence in Talent,
22 Oregon on July 21, 2005.

23 As of August 29, 2005 respondent Raquel Hernandez-Perez
24 has not filed a written request for a hearing in this matter.

25 **NOW THEREFORE**, after consideration of the evidence
26 gathered in this case by Detective Hector Caballero of the
27 Talent Police Department and by Chris Aldrich and Fernando
28 Velez, The Director hereby issues the following Findings of
29 Fact, Conclusions of Law and Final Order:

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



FINDINGS OF FACT

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1. RAQUEL HERNANDEZ PEREZ (hereinafter "Respondent") resides at 571 Talent Avenue, Apt. 29 in Talent, Oregon.

2. Respondent is not, and never has been, licensed in the State of Oregon to make consumer loans in amounts less than \$50,000.00.

3. Between January 1, 2001 and December 31, 2003, respondent made loans of less than \$50,000.00 to at least four residents of Jackson County, Oregon. See Appendix A, attached hereto and by this reference incorporated herein.

4. The loans noted in paragraph three purportedly carried interest rates of not less than 15% per month or 180% per annum and as much as 20% per month.

5. At all times pertinent to this Order the interest rates noted in paragraph four exceeded the greater of the annual rate of twelve percent, or five percent in excess of the discount rate on 90-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve District where respondent was located on the date of the loans noted in Appendix A.

6. From January 1, 2001 to July 1, 2005 the 90 day commercial paper rate reported by the Federal Reserve Bank ranged from a high of 6.14% on January 1, 2001 to a low of 0.91% on June 25, 2003.

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1 **CONCLUSIONS OF LAW**

2 The Director **CONCLUDES** that:

3 1. Respondent made consumer loans of \$50,000.00 or less
4 while not licensed to do so, in violation of ORS 725.045.

5 2. Respondent made loans of \$50,000.00 or less at an
6 annual rate of interest exceeding the greater of 12 percent,
7 or five percent in excess of the discount rate on 90 day
8 commercial paper in effect at the Federal Reserve Bank in the
9 Federal Reserve District where she was located on the date the
10 loans were made, in violation of ORS 82.010(3)(b).

11 **ORDER**

12 The Director **ORDERS** that:

13 1. Respondent shall **CEASE AND DESIST** from violating ORS
14 chapter 725.

15 2. Pursuant to ORS 725.310, respondent shall provide the
16 Director access to respondent's books, accounts, records and
17 files kept in conjunction with respondent's lending
18 activities.

19 3. Pursuant to ORS 725.910(1), respondent is assessed a
20 **CIVIL PENALTY** in the amount of \$2,500.00 for each person noted
21 on Appendix A to whom respondent made loans while not licensed
22 to do so for a total of \$10,000.00.

23 4. Pursuant to ORS 725.910(4), respondent is assessed a
24 **CIVIL PENALTY** in an amount equal to the interest received from
25 each borrower listed in Appendix A that exceeds nine percent
26 per annum as follows:



1 a. Margarita Flores Arias \$3,065.00
 2 b. Anna Lilia Carrasco \$1,052.50
 3 c. Maritza Diaz Arias \$935.00
 4 d. Olga Sabino Camarena \$1,918.00¹
 5 **Total:** \$6,970.50

6 5. \$6970.50 of the 10,000.00 civil penalty imposed in
 7 paragraph 3 shall be **WAIVED** provided that the respondent make
 8 full restitution to the borrowers listed in paragraph 4 in the
 9 amounts noted not later than 60 days from the date of this
 10 Order.

11 The entry of this Order in no way limits further remedies
 12 which may be available to the Director under Oregon law.

13 Dated this 6th day of September, 2005 at Salem, Oregon.

14
 15
 16 Cory Streisinger, Director
 17 Department of Consumer &
 18 Business Services

19 *Floyd Lanter*
 20 Floyd Lanter, Administrator
 21 Division of Finance and
 22 Corporate Securities

23
 24
 25
 26
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1 Approximation based on interviews

Appendix A

<u>Borrower</u>	<u>Date</u>	<u>Loan Amount</u>	<u>Monthly % Rate</u>	<u>Excessive% Paid</u>
Margarita Flores-Arias	2001	\$800	15	\$508
	Mar-02	\$1,000	15	\$1765
	Dec 02	\$700	20	\$792
Anna Lilia Carrasco	Mar 02	\$500	15	\$1,012.50
	Apr 03	\$200	20	\$40
Maritza Diaz Arias	Mar 03	\$1,000	15	\$935
	Aug 03	\$400	20	none
Olga Sabino Camarena	Apr 03	\$1,800	15/20	\$918
	Sep 03	\$1,500	20	\$500
	Nov 03	\$2,000	20	\$500



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

Division of Finance and Corporate Securities

350 Winter Street NE, Room 410

PO Box 14480

Salem, OR 97309-0405

(503) 378-4140 (503) 378-4387

FAX (503) 947-7862

TTY (503) 378-4100

<http://www.oregondfcs.org>

In the Investigation of:)

No. 3806

Raquel Hernandez-Perez)

CERTIFICATE OF SERVICE

STATE OF OREGON)

) ss

County of Marion)

I hereby certify that I made personal service of a CEASE AND DESIST ORDER upon the individual as named below, by delivering a certified true copy of said CEASE AND DESIST ORDER as follows:

Upon Raquel Hernandez-Perez,
by delivering such certified true copy to her personally and in person,
at: 571 Talent Ave #29, Talent OR 97540
on July 21st, 2005 at 3:00pm.

I further certify that I am a competent person over 18 years of age and a resident of the state of Oregon; that I am not a party to this action; and that the person served by me is the identical person named in the CEASE AND DESIST ORDER.

DATED this 22 July, 2005.

Chris Aldrich
Securities Investigator
350 Winter Street NE, Room 410
Salem, Oregon 97310
(503) 947-7852