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

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
7 **OF CONSUMER AND BUSINESS SERVICES**

8 In the Matter of:

I-11-0070

9 **KRRS, Inc., d/b/a Wilmington Cash Mart,**

ORDER TO CEASE AND DESIST,
ORDER ASSESSING CIVIL PENALTY
AND CONSENT TO ENTRY OF
ORDER

10 Respondent.

11 WHEREAS, the Director of the Department of Consumer and Business Services for the
12 State of Oregon (hereinafter “the Director”), acting pursuant to ORS chapter 725 (hereinafter the
13 “Oregon Consumer Finance Act” or “the Act”), conducted an investigation of KRRS, Inc., d/b/a
14 Wilmington Cash Mart (“KRRS”) and, concluding that violations of the Act had been
15 committed; and

16 WHEREAS KRRS wishes to resolve this matter with the Director;

17 NOW THEREFORE, as evidenced by the signature(s) subscribed on this Order, KRRS
18 hereby CONSENTS to entry of this Order upon the Director’s Findings of Fact and Conclusions
19 of Law as stated hereinafter.

20 **I.**

21 **FINDINGS OF FACT**

22 The Director FINDS that:

23 1. KRRS is a Delaware corporation with its principal office located at 4528 A Kirkwood
24 Highway, Wilmington, Delaware 19808. Ms. Stephanie Browne-Caroselli (“Browne-Caroselli”)
25 is the president of KRRS. KRRS is not registered with the Oregon Secretary of State as a foreign
26 business.

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 than \$50,000 to a consumer who resided in Oregon and the consumer agreed to the terms of the
2 loan via the Internet while physically present in this state.

3 11. KRRS violated ORS 725.045(1) by conducting a business in which it made a payday
4 loan as defined by ORS 725.600(3) to an Oregon resident without first obtaining a license under
5 ORS chapter 725.

6 12. KRRS violated ORS 725.622(1)(a) by making or renewing a payday loan at a rate of
7 interest that exceeds 36 percent per annum, excluding a one-time origination fee for a new loan.

8 13. KRRS violated ORS 725.622(1)(d) by making or renewing a payday loan for a term
9 of less than 31 days.

11 **III.**
12 **ORDERS**

13 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

14 Cease and Desist Order

15 14. Pursuant to the authority of ORS 725.400, the Director hereby ORDERS KRRS to
16 CEASE AND DESIST from violating any provision of the Oregon Consumer Finance Act, ORS
17 chapter 725, OAR 441-730-0000 through 441-730-0320, or any rule, order, or policy issued by
18 the Director under that chapter.

19 Order Assessing Civil Penalty

20 15. Pursuant to the authority of ORS 725.910, the Director may assess a CIVIL
21 PENALTY in an amount determined by the Director of not more than \$2,500 per violation
22 against any person who violates any provision of the Oregon Consumer Finance Act, ORS
23 chapter 725. Pursuant to this provision, the Director hereby assesses KRRS a CIVIL PENALTY
24 in the amount of \$7,500 (seven-thousand five-hundred dollars) as follows:

25 A. A CIVIL PENALTY of \$2,500 (two thousand five-hundred dollars) for conducting a
26 business in which it made a payday loan as defined by ORS 725.600(3) to an Oregon resident



1 without first obtaining a license under ORS chapter 725 in violation ORS 725.045(1);

2 B. A CIVIL PENALTY of \$2,500 (two thousand five-hundred dollars) for making or
3 renewing a payday loan at a rate of interest that exceeds 36 percent per annum, excluding a one-
4 time origination fee for a new loan, in violation of ORS 725.622(1)(a); and

5 16. A CIVIL PENALTY of \$2,500 (two thousand five-hundred dollars) for making or
6 renewing a payday loan for a term of less than 31 days.

7 Suspension of Portion of Civil Penalty

8 17. The Director agrees to SUSPEND the collection of the \$7,500 CIVIL PENALTY
9 assessed herein providing that KRRS complies with all of the following terms and conditions:

10 A. Within 10 days from the effective date of this Order, KRRS shall refund all fees and
11 interest collected from SH. KRRS shall also provide the Division with satisfactory proof of the
12 refund to SH.

13 B. Within 10 days from the effective date of this Order, KRRS must either: (i) file an
14 application to register with the Director as a payday lender pursuant to ORS 725.045(1), or (ii)
15 place a prominent disclaimer on its website, the websites of all affiliated companies, and in all
16 promotional materials published by or for KRRS, to the effect that its payday lending services
17 are not available to Oregon residents.

18 C. Comply with all terms and conditions set out in this Order and commit no new
19 violations of the Oregon Consumer Finance Act.

20 18. If KRRS commits no new violations of the Oregon Consumer Finance Act during the
21 three-year period from the effective date of this Order, the Director WAIVES the collection of
22 the suspended CIVIL PENALTY assessed herein.

23 19. The Director reserves the right to immediately impose the suspended CIVIL
24 PENALTY upon a determination that KRRS has violated any term of this Consent Order.

25 20. The entry of this Consent Order in no way limits further remedies which may be
26 available to the Director under Oregon law.

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IT IS SO ORDERED.

Dated this 27th day of September, 2011 at Salem, Oregon.

SCOTT L. HARRA, Acting Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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CORPORATE STIPULATION TO ENTRY OF ORDER

I, Stephanie Browne-Caroselli, state that I am an officer of KRRS, Inc., d/b/a Wilmington Cash Mart (“KRRS”), and I am authorized to act on its behalf; that I have read the foregoing Consent Order and that I know and fully understand the contents hereof; that I and this entity have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that KRRS, voluntarily and without any force or duress, stipulates to the entry of this Consent Order, expressly waiving any right to a hearing in this matter; that KRRS neither admits nor denies the Findings of Fact and Conclusions of Law in the foregoing Consent Order; that KRRS, executes this Consent Order as a settlement of the matters referred to in the foregoing Consent Order; that KRRS, understands that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Oregon Consumer Finance Act; and that KRRS will fully comply with the terms and conditions stated herein.

KRRS further assures the Director that neither KRRS, nor its officers, directors, employees or agents, will effect consumer loan transactions in Oregon unless such activities are in full compliance with Chapter 725 of the Oregon Revised Statutes.

KRRS understands that this Consent Order is a public document.

Dated this 30 day of August, 2011.

By: /s/ Stephanie Browne-Caroselli
Stephanie Browne-Caroselli

Office Held: President

CORPORATE ACKNOWLEDGMENT

State of Maryland
County of Cecil

There appeared before me this 30th day of August, 2011, Stephanie Browne-Caroselli, who was first duly sworn on oath, and stated that she is an officer of KRRS, Inc., d/b/a Wilmington Cash Mart (“KRRS”), and that she is authorized and empowered to sign this Consent Order on behalf of KRRS and to bind it to the terms hereof.

/s/ Christy L Herwig
Signature of Notary Public