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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:

9 **DM-11-0118**

10 **Penso Holdings, Inc. dba Capital Debt**  
11 **Settlement**

12 **ORDER TO CEASE AND DESIST,**  
13 **ORDER ASSESSING CIVIL PENALTY,**  
14 **AND CORPORATE CONSENT TO**  
15 **ENTRY OF ORDER**

16 Respondent.

17 WHEREAS, the Director of the Department of Consumer and Business Services for the  
18 State of Oregon (hereinafter “the Director”), acting pursuant to the Oregon statutes regulating  
19 debt management service providers, ORS 697.602 to 697.842, has conducted an investigation of  
20 Penso Holdings, Inc. dba Capital Debt Settlement (“CDS”) and has concluded that violations of  
21 Oregon law have been committed; and

22 WHEREAS CDS neither admits nor denies the Findings of Fact or Conclusions of Law  
23 contained herein, but wishes to resolve this matter with the Director;

24 NOW THEREFORE, as evidenced by the signature(s) subscribed on this Order, CDS  
25 hereby CONSENTS to entry of this Order upon the Director’s Findings of Fact and Conclusions  
26 of Law as stated hereinafter.

27 **I.**

28 **FINDINGS OF FACT**

29 The Director FINDS that:

30 1. CDS is a California corporation with its principal office located at 2152 Dupont, Suite  
31 101, Irvine, California 92612. CDS was at all times relevant to this matter marketing programs  
32 as Capital Debt Settlement.



1 2. CDS held itself out as providing debt management services as defined by ORS  
2 697.602(2)(d), by receiving money in return for obtaining or attempting to obtain as an  
3 intermediary on a consumer's behalf a concession from a creditor including, but not limited to, a  
4 reduction in the principal, interest, penalties or fees associated with a debt. CDS alleges that  
5 some of its business activities occurred prior to the effective date of ORS 697.612.

6 3. At no time material to this Order was CDS registered in Oregon with the Director as a  
7 debt management service provider.

8 4. Between July 2009 and June 2010, CDS entered into debt management service  
9 agreements with at least five Oregon residents.

10 5. In each case, CDS charged its Oregon clients a fee that exceeded \$65 per month to  
11 receive debt management services.

12 6. At no time material to this Order did CDS file a bond with the Director as required by  
13 Oregon law.

## 14 II.

### 15 CONCLUSIONS OF LAW

16 The Director CONCLUDES that:

17 7. CDS performed debt management services as defined by ORS 697.602(2)(d) when it  
18 received money in return for obtaining or attempting to obtain as an intermediary on a  
19 consumer's behalf a concession from a creditor including, but not limited to, a reduction in the  
20 principal, interest, penalties or fees associated with a debt.

21 8. CDS violated ORS 697.612 by engaging in the business of debt management service  
22 provider without being registered with the Director pursuant to ORS chapter 697.

23 9. CDS violated ORS 697.642(1) when it performed debt management services without  
24 first filing a bond issued by one or more corporate sureties authorized to do business in Oregon.

25 10. CDS violated ORS 697.692(1)(d) when it charged Oregon consumers a fee that  
26



1 exceeded \$65 per month to receive debt management services.

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3 **III.**

4 **ORDERS**

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

6 Order to Cease and Desist

7 11. Pursuant to the authority of ORS 697.825(1)(a), the Director hereby ORDERS CDS,  
8 and all entities owned or controlled by CDS, their successors and assignees, to CEASE AND  
9 DESIST from violating any provision of the Oregon statutes regulating debt management service  
10 providers, ORS chapter 697, and any rule, order, or policy issued by the Director under ORS  
11 chapter 697.

12 Order Assessing Civil Penalty

13 12. Pursuant to the authority of ORS 697.832, the Director may assess a CIVIL  
14 PENALTY in an amount of not more than \$5,000 per violation against any person who violates  
15 ORS 697.602 to 697.842, rules adopted pursuant to ORS 697.632, or any order issued under  
16 ORS 697.825.

17 13. Pursuant to ORS 697.832, the Director hereby assesses CDS a CIVIL PENALTY in  
18 the amount of \$30,000 (thirty thousand dollars) as follows:

19 A. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for five violations of the  
20 registration provisions of ORS 697.612 by engaging in the business of performing debt  
21 management service without being registered with the Director pursuant to ORS chapter 697;

22 B. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for five violations of  
23 performing debt management services without first filing a bond as required by ORS  
24 697.642(1); and

25 C. A CIVIL PENALTY of \$10,000 (ten thousand dollars) for five violations of ORS  
26 697.692(1)(d) by charging a monthly fee in excess of \$65.



Suspension of Civil Penalty

14. The Director agrees to SUSPEND the collection of the \$30,000 CIVIL PENALTY assessed herein providing that CDS complies with all of the following terms and conditions:

A. Within 10 days from the effective date of this Order, CDS shall refund all monies paid by the five Oregon consumers to CDS, less any amounts paid to the consumers' creditors. This refund must include any amount held on deposit by CDS or a third party entity such as Global Client Solutions, LLC for each of the consumers. CDS shall provide proof satisfactory to the Oregon Division of Finance and Corporate Securities of the refunds to the Oregon consumers.

B. CDS shall suspend all collection activities for interest on, or any fees or charges for, debt management services provided to Oregon consumers.

C. Within 10 days from the effective date of this Order, CDS shall either: (i) file an application to register with the Director as a debt management service provider pursuant to ORS 697.632, or (ii) place a prominent disclaimer on its website and the websites of all affiliated companies to the effect that its debt management services are not available to Oregon residents.

D. CDS shall comply with all terms and conditions set out in this Order and commit no new violations of the Oregon statutes regulating debt management service providers, ORS 697.602 to 697.842, the rules adopted pursuant to ORS 697.632, or any order issued under ORS 697.825.

15. If CDS complies with all of the terms and conditions set out in this Order and commits no new violations of the Oregon statutes regulating debt management service providers during the two-year period from the effective date of this Order, the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein.

16. The Director reserves the right to immediately impose the suspended CIVIL PENALTY upon a determination that CDS has violated any term of this Order.

17. The entry of this Order in no way limits further remedies which may be available to



1 the Director under Oregon law.

2 IT IS SO ORDERED.

3 Dated this 17th day of February, 2012 at Salem, Oregon.

4 PATRICK ALLEN, Acting Director  
5 Department of Consumer and Business Services

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

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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 **CORPORATE CONSENT TO ENTRY OF ORDER**

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3 I, Marc Penso, state that I am an officer of Penso Holdings, Inc.  
4 dba Capital Debt Settlement ("CDS"), and I am authorized to act on its behalf; that I have read  
5 the foregoing Order and that I know and fully understand the contents hereof; that I and CDS  
6 have been advised of the right to a hearing and of the right to be represented by counsel in this  
7 matter; that CDS, voluntarily and without any force or duress, consents to the entry of this Order,  
8 expressly waiving any right to a hearing in this matter; that CDS neither admits nor denies the  
9 Findings of Fact and Conclusions of Law in the foregoing Order; that CDS, executes this Order  
10 as a settlement of the matters referred to in the foregoing Order; that CDS understands that the  
11 Director reserves the right to take further actions to enforce this Order or to take appropriate  
12 action upon discovery of other violations of the Oregon statutes regulating debt management  
13 service providers, ORS 697.602 to 697.842, the rules adopted pursuant to ORS 697.632, or any  
14 order issued under ORS 697.825, and that CDS will fully comply with the terms and conditions  
15 stated herein.

16 CDS further assures the Director that neither CDS, nor its officers, directors, employees  
17 or agents, will offer or provide debt management services in Oregon unless such activities are in  
18 full compliance with chapter 697 of the Oregon Revised Statutes.

19 CDS understands that this Order is a public document.

20 By: /s/ Marc Penso 2-14-12  
Signature

21 By: Marc Penso  
Printed Name

22 Office Held: \_\_\_\_\_

23 **CORPORATE ACKNOWLEDGMENT**

24 State of \_\_\_\_\_

25 County of \_\_\_\_\_

26 There appeared before me this \_\_\_\_\_ day of \_\_\_\_\_, 2012,  
\_\_\_\_\_, who was first duly sworn on oath, and stated that  
he/she was and is an officer of CDS, and that he/she is authorized and empowered to sign this  
Order on behalf of CDS, and to bind it to the terms hereof.

See Attached Certificate  
Signature of Notary Public

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



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Orange

On Feb 14th 2012 before me, Diane Smith, Notary Public

personally appeared Marc Stanley Penso

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Diane Smith, Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Order to Cease & Desist / Corp Consent to Entry of Order

Document Date: Feb 14th 2012 Number of Pages: Six

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

- Signer's Name:
Corporate Officer - Title(s):
Individual
Partner - Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:

Signer Is Representing: