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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-11-0091

9 **GENEVA ROTH VENTURES, INC.,**
10 **DBA LOAN POINT USA,**

STIPULATED ORDER TO CEASE AND
DESIST, SUSPENDING COLLECTION
ACTIVITIES, AND ASSESSING CIVIL
PENALTY

11 Respondent.

12 WHEREAS the Director of the Department of Consumer and Business Services for the
13 State of Oregon (hereinafter “the Director”), acting pursuant to the authority of ORS chapter 725
14 (2009)¹ and ORS chapter 725A (2010), has conducted an investigation of Geneva Roth
15 Ventures, Inc., dba Loan Point USA (“Geneva”) and, has concluded that violations of ORS
16 chapter 725 have been committed; and

17 WHEREAS Geneva denies and disagrees with the Findings of Fact or Conclusions of
18 Law contained herein, but wishes to resolve this matter with the Director;

19 NOW THEREFORE, as evidenced by the signature(s) subscribed on this Stipulated
20 Order, Geneva hereby CONSENTS to entry of this Stipulated Order.

21 **I.**

22 **FINDINGS OF FACT**

23 The Director FINDS that:

24 1. Geneva is a Delaware corporation with its principal office located at 6950 West 56th
25 Street, Mission, Kansas 66202. Geneva has not registered with the Oregon Secretary of State to

26 ¹ Pursuant to Oregon Law 2010, Chapter 23, effective March 4, 2010, the provisions of ORS chapter 725 governing
payday loan lenders have been recodified in ORS chapter 725A. This Stipulated Order refers to both ORS chapter
725A and ORS chapter 725 since the violations at issue occurred prior to March 4, 2010. Unless otherwise noted,
citations to ORS chapter 725 in this Stipulated Order are to ORS chapter 725 as enacted prior to March 4, 2010.





1 conduct business as a foreign corporation in Oregon.

2 2. Geneva is in the business of making loans to individuals primarily for personal,
3 family or household purposes for periods of less than 60 days. The loans are not made as
4 purchase money loans and are usually evidenced by a check or electronic repayment agreement
5 provided by or on behalf of the borrower. Geneva conducts its loan business via the Internet
6 through its website www.loanpointusa.com.

7 3. To date, the Oregon Division of Finance and Corporate Securities (“DFCS”) has
8 received complaints from five Oregon consumers about Geneva’s lending activities. These
9 consumers all negotiated loans with Geneva via the Internet through the loanpointusa.com
10 website. These loans were obtained primarily for personal, family or household purposes.

11 4. The loans provided to the five Oregon consumers ranged from \$400 to \$500.

12 5. Each loan was to be repaid in approximately 14 days and incurred fees ranging from
13 \$75 to \$150.

14 6. Each of the loans provided to the five Oregon consumers had a rate of interest that
15 exceeded 36 percent per annum.

16 II.

17 CONCLUSIONS OF LAW

18 The Director CONCLUDES that:

19 7. The short term consumer loans made by Geneva to Oregon consumers are payday
20 loans as defined in ORS 725.600(3).

21 8. The payday loans made by Geneva to Oregon consumers were each subject to ORS
22 chapter 725 because Geneva made a loan for personal, family or household purposes of less than
23 \$50,000 to a consumer who resided in Oregon and the consumer agreed to the terms of the loan
24 via the Internet while physically present in this state.

25 9. Geneva violated ORS 725.045(1) by conducting a business in which it made payday
26 loans as defined by ORS 725.600(3) to Oregon consumers without first obtaining a license under



1 ORS chapter 725. Each instance Geneva made a payday loan with an Oregon consumer without
2 first obtaining a license is a separate and distinct violation of ORS 725.045(1).

3 10. Geneva violated ORS 725.622(1)(a) by making or renewing a payday loan at a rate of
4 interest that exceeds 36 percent per annum, excluding a one-time origination fee for a new loan.
5 Each instance Geneva made or renewed a payday loan with an Oregon consumer at a rate of
6 interest that exceeded 36 percent per annum is a separate and distinct violation of ORS
7 725.622(1)(a).

8 11. Geneva violated ORS 725.622(1)(d) by making or renewing a payday loan for a term
9 of less than 31 days. Each instance Geneva made or renewed a payday loan with an Oregon
10 consumer for a term of less than 31 days is a separate and distinct violation of ORS
11 725.622(1)(d).

12 III.

13 STIPULATED ORDER

14 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING STIPULATED ORDER:

15 Cease and Desist

16 12. Geneva, and all entities owned or controlled by Geneva, and their successors and
17 assignees, shall CEASE AND DESIST from violating any provision of ORS chapter 725A, OAR
18 441-735-0000 through 441-735-0320, or any rule, order, or policy issued by the Director under
19 that chapter.

20 Suspension of Collection Activities

21 13. Geneva, and all entities owned or controlled by Geneva, and their successors and
22 assignees, shall suspend all collection activities for the interest on, or any fees or charges for,
23 loans made to Oregon consumers unless within 90 days of the date of this Stipulated Order,
24 Geneva obtains a license under ORS 725A.024.

25 14. If Geneva is approved by the Director to act as a payday lender in Oregon pursuant to
26 ORS 725A.024, but more than 90 days from the date of this Stipulated Order, Geneva may



1 collect the interest and fees allowed by ORS chapter 725A, but only for loans made after the
2 approval of such license.

3 Assessment of Civil Penalty

4 15. Pursuant to the authority of ORS 725.910, the Director may assess a CIVIL
5 PENALTY in an amount determined by the Director of not more than \$2,500 per violation
6 against any person who violates any provision of ORS chapter 725. Pursuant to this provision,
7 the Director hereby assesses Geneva a CIVIL PENALTY in the amount of \$37,500 (thirty seven
8 thousand five hundred dollars) as follows:

9 A. A CIVIL PENALTY of \$12,500 (twelve thousand five hundred dollars) for
10 conducting a business in which it made payday loans as defined by ORS 725.600(3) to five
11 Oregon consumers without first obtaining a license in violation of ORS 725.045(1);

12 B. A CIVIL PENALTY of \$12,500 (twelve thousand five hundred dollars) for making
13 or renewing payday loans to five Oregon consumers at a rate of interest that exceeds 36 percent
14 per annum, excluding a one-time origination fee for a new loan, in violation of ORS
15 725.622(1)(a); and

16 C. A CIVIL PENALTY of \$12,500 (twelve thousand five hundred dollars) for making
17 or renewing payday loans to five Oregon consumers for a term of less than 31 days in violation
18 of ORS 725.622(1)(d).

19 Suspension of Civil Penalty

20 16. The Director agrees to SUSPEND the collection of the \$37,500 CIVIL PENALTY
21 assessed herein providing that Geneva complies with all of the following terms and conditions:

22 A. Within 10 days from the effective date of this Stipulated Order, Geneva must either:
23 (i) file an application to become licensed with the Director as a payday lender pursuant to ORS
24 chapter 725A, or (ii) disable and discontinue its lending services to Oregon consumers, and
25 cause Geneva's website to disallow access to payday lending services for any user identifying
26 him or herself as an Oregon resident.



1 B. Within 90 days from the effective date of this Stipulated Order, Geneva shall refund
2 all fees and interest collected from the five Oregon consumers that submitted complaints to
3 DFCS. Geneva shall provide proof satisfactory to DFCS of the refunds. If Geneva is unable to
4 locate the five Oregon consumers who submitted complaints to DFCS, Geneva shall provide the
5 applicable funds to DFCS.

6 C. Geneva shall comply with all terms and conditions set out in this Stipulated Order and
7 commit no new violations of ORS chapter 725A.

8 17. If Geneva complies with all of the terms and conditions set out in this Stipulated
9 Order and commits no new violations of ORS chapter 725A during the two-year period from the
10 effective date of this Stipulated Order, the Director WAIVES the collection of the suspended
11 CIVIL PENALTY assessed herein.

12 18. The Director reserves the right to immediately impose the suspended CIVIL
13 PENALTY, pursuant to the procedures set forth in ORS 183.745, upon a reasonable
14 determination that Geneva has violated any term of this Stipulated Order.

15 19. The entry of this Stipulated Order in no way limits further remedies for further
16 violations that may be available to the Director under Oregon law.

17 IT IS SO ORDERED.

18 Dated this 15th day of March, 2012 at Salem, Oregon.

19
20 PATRICK ALLEN, Director
Department of Consumer and Business Services

21
22 /s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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Division of Finance and Corporate Securities
Labor and Industries Building
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Salem, OR 97301-3881
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CORPORATE STIPULATION TO ENTRY OF STIPULATED ORDER

I, Brian McGowan, state that I am an officer of Geneva Roth Ventures, Inc., dba Loan Point USA (“Geneva”), and I am authorized to act on its behalf; that I have read the foregoing Stipulated 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 Geneva, voluntarily and without any force or duress, stipulates to the entry of this Stipulated Order, expressly waiving any right to a hearing in this matter; that Geneva denies the Findings of Fact and Conclusions of Law in the foregoing Stipulated Order; that Geneva, executes this Stipulated Order as a settlement of the matters referred to in the foregoing Stipulated Order; that Geneva, understands that the Director reserves the right to take further actions to enforce this Stipulated Order or to take appropriate action upon discovery of other violations of ORS chapter 725A and/or ORS chapter 725; and that Geneva will fully comply with the terms and conditions stated herein.

Geneva understands that this Stipulated Order is a public document.

By: /s/ Brian McGowan
Signature

By: Brian McGowan
Printed Name

Office Held: EVP.

CORPORATE ACKNOWLEDGMENT

State of Kansas

County of Johnson

There appeared before me this 14th day of Mar, 2012, Brian McGowan, who was first duly sworn on oath, and stated that he/she is an officer of Geneva, and that he/she is authorized and empowered to sign this Stipulated Order on behalf of Geneva and to bind it to the terms hereof.

/s/ Lea McCandless
Signature of Notary Public

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