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5 **STATE OF OREGON**
6 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
7 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

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

10 In the Matter of:

S-10-0015

11 Cecil F. Smith Jr. Aka ‘buz’ Smith, Church
12 Ministries Distribution, Inc. dba Church
13 Ministries Distribution,

**Final Order Finding Respondents in
Violation of Prior Consent Order and
Assessing Previously Suspended Civil Penalty**

14 Respondents.

Entered by Default

15 On February 6, 2012, the Director of the Department of Consumer and Business Services
16 for the State of Oregon (“Director”), acting by the authority of Oregon Revised Statutes (“ORS”)
17 Ch. 59 (“Oregon Securities Law”), issued Administrative Order No. S-10-0015, Proposed Order
18 Finding Respondents in Violation of Prior Consent Order and Assessing Previously Suspended
19 Civil Penalty and Notice of Opportunity for an Administrative Hearing (“Proposed Order”).

20 On February 27, 2012, Cecil F. Smith Jr. (“Smith”) was personally served with true
21 copies of the Proposed Order at 350 Winter St. NE, Room 4C, Salem, Oregon 97301.

22 No Respondent has made a written demand for a contested case hearing in this matter and
23 time to do so has now expired.

24 NOW THEREFORE, after consideration of the file in this matter maintained by DFCS,
25 including any materials that Respondents may have submitted, the Director hereby issues the
26 following Findings of Fact, Conclusion of Law, and Final Order:

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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





FINDING OF FACT

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2 1. On or about August 3, 2011, an Order to Cease and Desist, Assessing Civil Penalty,
3 Denying Exemptions and Consent to Entry of Order (“Consent Order”) was entered into by the
4 Department and Respondents.

5 2. The Consent Order provides that Respondents be assessed a civil penalty in the amount
6 of \$440,000, to be suspended in its entirety so long as Respondents comply with the terms of the
7 restitution plan. The restitution plan of the Consent Order requires Respondents to pay
8 \$264,833.22 to the Department in sixty (60) monthly payments of \$4,413.88, with the first
9 payment due on October 15, 2011 and the final payment due on June 15, 2016 (“Restitution
10 Plan”). All payments made pursuant to the Restitution Plan are to be made to the Department
11 who shall then distribute the funds collected pro-rata to persons listed on Exhibit A of the
12 Consent Order.

13 3. The Consent Order further provides that if any of the terms of the Consent Order are
14 violated by Respondents, the suspended civil penalty may be imposed by the Director.

15 4. Respondents failed to make any payments that are required by the Restitution Plan.
16 Respondents, specifically, failed to make any of the payments that were due on October 15,
17 2011, November 15, 2011, December 15, 2011, and January 15, 2012.

CONCLUSION OF LAW

19 Respondents violated the terms of the Consent Order by failing to make any of the
20 restitution payments that were due on October 15, 2011, November 15, 2011, December 15,
21 2011, and January 15, 2012.

FINAL ORDER

23 Pursuant to ORS 59.995, the Director hereby reinstates the full civil penalty of \$440,000 plus
24 interest at the rate of nine percent (9%) per annum from October 15, 2011.

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

3 IT IS SO ORDERED.

4 Dated this 16th day of April, 2012.

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7 PATRICK M. ALLEN, Director
Department of Consumer and Business Services

8
9 /s/ David Tatman
David C. Tatman, Administrator
10 Division of Finance and Corporate Securities
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12 **NOTICE:** You are entitled to judicial review of this Order. Judicial review may be obtained by filing
13 a petition with the Court of Appeals in Salem, Oregon within 60 days from the service of this Order.
14 Judicial review is pursuant to the provisions of ORS 183.482 to the Oregon Court of Appeals.
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