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3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCIAL REGULATION

6 Case No. DM-16-0329

7 In the Matter of:

8 Consumer Credit Auditors LLC, dba
9 Consumer Credit Auditors,

10 Respondent.

11 ORDER TO CEASE AND DESIST,
12 ORDER ASSESSING CIVIL
13 PENALTY, AND CONSENT TO
14 ENTRY OF ORDER

15 WHEREAS, the Director of the Department of Consumer and Business Services
16 for the State of Oregon (hereinafter the “*Director*”), acting pursuant to the Oregon
17 statutes regulating debt management service providers, ORS 697.602 to 697.842, has
18 conducted an investigation of Consumer Credit Auditors LLC, doing business as
19 Consumer Credit Auditors (“*Respondent*”), and has concluded that violations of Oregon
20 law have been committed; and

21 WHEREAS Respondent wishes to resolve this matter with the Director;

22 NOW THEREFORE, as evidenced by the signature(s) subscribed on this Order,
23 Respondent hereby CONSENTS to entry of this Order as stated hereinafter.

24 FINDINGS OF FACT

25 The Director FINDS that:

26 1. Respondent is an Oregon limited liability company with its principal place of
business located at 9045 SW Barbur Blvd., Ste. 118, Portland, Oregon 97219.

2. At all times relevant to this matter, Respondent offered and provided credit
repair services to consumers residing in Oregon, among other states. Respondent received
money or expected to receive money in return for assisting consumers with improving or
preserving their credit record, credit history or credit rating.

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Salem, OR 97301-3881
Telephone: (503) 378-4387



1 8. Respondent violated ORS 697.692 by charging Oregon consumers fees for
2 credit repair services in excess of the fees permitted by ORS 697.692(1)(a) and (b).

3 **ORDERS**

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

5 Order to Cease and Desist

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

12 Order Assessing Civil Penalty

13 10. 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
15 violates ORS 697.612 to 697.702, rules adopted under ORS 697.632, or any order issued
16 under ORS 697.825.

17 11. The Director hereby assesses a CIVIL PENALTY against Respondent in the
18 total amount of twenty thousand dollars (\$20,000), as follows:

- 19 A. A CIVIL PENALTY of ten thousand dollars (\$10,000) for violating ORS
20 697.612(1)(a) and (1)(b)(E) by receiving money or other valuable
21 consideration in return for assisting approximately 230 Oregon consumers
22 with improving or preserving their credit record, credit history, or credit
23 rating, without being registered with the Director; and
24 B. A CIVIL PENALTY of ten thousand dollars (\$10,000) for violating ORS
25 697.692(1) by charging approximately 230 Oregon consumers fees in excess
26 of those permitted in ORS 697.692(1)(a) and (b).

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Suspension of Civil Penalty

12. The Director agrees to SUSPEND the collection of the \$20,000 CIVIL PENALTY assessed herein provided that Respondent shall comply with the following terms and conditions:

- A. Respondent shall not offer or provide any credit repair services to new Oregon consumer clients until such time as Respondent becomes registered with the Director as a debt management service provider;
- B. With respect to the approximate 64 current Oregon consumer clients for which Respondent is providing credit repair services, Respondent shall, on a consumer-by-consumer basis, either: (1) terminate the client relationship, cease providing further credit repair services, and provide a full refund of all monies paid by the client to Respondent, or; (2) continue providing credit repair services to the client for a monthly fee of no more than \$50, and for a period of no longer than one year from the effective date of this Order;
- C. No later than October 31, 2016, Respondent shall provide the Director with a list of all current Oregon consumer clients and identify which clients it has terminated and refunded their fees, and which clients it will continue to provide services to; and
- D. Respondent 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.

13. If Respondent 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 five-year period from the effective date of this Order, the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein.

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

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4 IT IS SO ORDERED.

5 Dated this 2nd day of September, 2016 at Salem, Oregon.

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

8 /s/ David C. Tatman
9 David C. Tatman, Chief of Enforcement
10 Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Derek Louw, state that I am an officer of Consumer Credit Auditors LLC, doing business as Consumer Credit Auditors (“**Respondent**”), and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that Respondent has been advised of the right to a hearing and of the right to be represented by counsel in this matter; that Respondent, voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Respondent executes this Order as a settlement of the matters referred to in the foregoing Order; that Respondent understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other 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, and; that Respondent will fully comply with the terms and conditions stated herein.

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

Respondent understands that this Order is a public document.

/s/ Derek Louw
Derek Louw
Office Held: Manager

ACKNOWLEDGMENT

State of Oregon

County of Washington

There appeared before me this 29th day of August, 2016, Derek Louw, who was first duly sworn on oath, and stated that he/she was and is an officer of Respondent, and that he/she is authorized and empowered to sign this Order on behalf of Respondent, and to bind it to the terms hereof.

/s/ Nicholas Jay David
Notary Public
Commission No. 928810, Exp. 6/15/18

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