STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of ACCOUNT CONTROL SYSTEMS, INC., Respondent.	Case No. CA-24-0014 FINAL ORDER TO CEASE AND DESIST, AND ORDER REVOKING LICENSE, ENTERED BY DEFAULT

On February 15, 2024, the Division of Financial Regulation (the "Division"), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), served an Order to Cease and Desist, Proposed Order Revoking License, and Notice of Right to an Administrative Hearing ("Notice") on Account Control Systems, Inc. ("Respondent").

The Notice offered Respondent an opportunity for a hearing if requested within 20 days of the Notice. The Notice further informed Respondent that if a hearing were not conducted because Respondent did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Respondent in the case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive a request for a hearing from Respondent and did not conduct a hearing.

The Director finds that the record of this proceeding proves a prima facie case.

Now, therefore, after considering the relevant portions of the Division's file relating to this matter, the Director finds and orders as follows.

///

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

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a New Jersey corporation with its principal place of business at 85 Chestnut Ridge Rd, Ste 113, Montvale, New Jersey 07645.

2. Respondent has maintained an Oregon Collection Agency registration in the Nationwide Multistate Licensing System ("NMLS"), since April 25, 2017 (NMLS #1539628) (hereinafter the "Registration).

3. Pursuant to ORS 697.031(2), Respondent is required to maintain a bond or other security device or an irrevocable letter of credit.

4. Respondent provided a surety bond form from SureTec Insurance Company (NAIC 10916) with surety bond number 3474876 effective January 6, 2020.

5. On January 9, 2023, the Director received a cancellation notice from SureTec Insurance Company related to bond number 3474876, stating that the bond for Respondent would be terminated effective February 10, 2023.

6. On January 10, 2023, NMLS placed an alert on Respondent's Registration, and sent notice via e-mail, advising that the company needed to obtain a replacement for the surety bond or an irrevocable letter of credit or the Registration would be cancelled on February 10, 2023.

7. On March 13, 2023, the NMLS issued a second notice vial e-mail regarding the registration deficiencies.

8. On March 21, 2023, the Division emailed Respondent to again notify it of the cancelled bond and the Division's intent to terminate the Registration if the deficiency was not cured by obtaining a replacement bond.

///

///

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

9. On January 2, 2024, the Division emailed Respondent to notify it that the Registration expired on December 31, 2023, and as a result the company is not authorized to engage in collection agency activity in Oregon. The email provided instructions for Respondent to reinstate its Registration, with a deadline of February 29, 2024. The Division did not receive a response from Respondent to this or any other emails described herein.

10. The Division has not received evidence of a replacement bond or an irrevocable letter of credit as of the date of this Order.

CONCLUSIONS OF LAW

The Director CONCLUDES that

11. Pursuant to ORS 697.093(1)(d)(A), if the Director has reason to believe that a person has violated, is violating or is about the violate the Oregon Collection Agency Law, the Director may issue an order to cease and desist from the violation.

12. Pursuant to ORS 697.039(1)(d), the Director may refuse to issue or renew or may revoke or suspend any registration for failing to maintain the security device or an irrevocable letter of credit as required by ORS 697.031.

13. Respondent failed to maintain in effect a bond or an irrevocable letter of credit required under ORS 697.031 by allowing its bond to lapse on February 10, 2023. Accordingly, the Director may revoke Respondent's Registration under ORS 697.039(1)(d).

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

ORDERS

The Director issues the following ORDERS:

14. As authorized by ORS 697.093(1)(d)(A), the Director ORDERS Respondent to CEASE AND DESIST from violating ORS 697.031 and ORS 697.039.

15. Pursuant to ORS 697.039(1)(d), the Director REVOKES Respondent's Registration for failing to renew or reinstate its bond, as required by ORS 697.031(2).

16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 12th day of March 2024.

Andrew Stolfi, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

[The remainder of this page intentionally left blank.]

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

Except as provided in ORS 697.825(2)(e), you may be entitled to judicial review of this Order under ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date of this Order is served.

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