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

In the Matter of:	Case No. CA-21-0055
F & F MANAGEMENT, INC. Respondent.	ORDER TO CEASE AND DESIST AND ORDER ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT

On April 15, 2022, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting by and through the Division of Financial Regulation ("Division") and in accordance with Oregon Revised Statutes ("ORS") chapters 697.005 to 697.115 ("the Oregon Collection Agency Law"), served an Order to Cease and Desist, Proposed Order imposing Civil Penalties, and Notice of Right to an Administrative Hearing ("Notice") on F & F Management, 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 this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

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

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FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a California corporation. In its Articles of Incorporation, filed with the California Secretary of State on February 3, 2017, Respondent states that its business address is 40960 Cal Oaks Road, #188, Murrieta California, 92562. In its most recent Statement of Information, filed with the California Secretary of State on July 15, 2021, Respondent identifies its business address as 1492 W. 6th St, Suite M, Corona, CA 92882.

2. Respondent operates a website, found at https://fandfmanagement.com.

3. At no time has Respondent been registered with the Oregon Division of Financial Regulation (the "Division") to do business in Oregon as a collection agency.

4. On or about March 19, 2021, an Oregon consumer—who w ill be identified for purposes of this email as JB—was notified through a third-party credit monitoring service that a collection had been added to his credit report by Respondent regarding $675 that JB purportedly owed to Northwest Priority Credit Union (NPCU).

5. JB contacted the collections manager at NPCU about this purported debt. NPCU reviewed its records and was unable to validate the purported debt. NPCU provided JB with a letter stating that NPCU was unable to confirm the validity of the debt and requesting that the collection be removed from JB's credit report.

6. JB contacted Respondent and provided Respondent with a copy of the letter from NPCU. Respondent nevertheless refused to remove the collection from JB's credit report.

7. Respondent provided JB with an electronic copy of a demand letter that Respondent had previously sent to JB by mail prior to adding the collection to JB's credit report. In the letter, Respondent sought to collect the NPCU debt against JB.

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8. JB subsequently filed a complaint with the National Credit Union Administration, which was then forwarded to the Division.

9. Division staff sent an information request to Respondent on April 28, 2021, requiring Respondent to provide information about its business activities in Oregon, and imposing a due date of May 20, 2021. The Division did not receive a response to this information request.

10. On September 23, 2021, JB contacted the Division and advised Division staff that he had just received notification that Respondent had removed the NPCU collection from JB's credit report.

11. On September 23, 2021, Division staff again sent an information request to Respondent. In this request, the Division reiterated the Division's earlier request for records pertaining to Respondent's business activities in Oregon and further requested Respondent's records pertaining to JB. The Division again received no response to this information request.

CONCLUSIONS OF LAW

Unlicensed Collection Agency Activities

12. ORS 697.015 forbids an person from doing business as a collections agency in Oregon unless that person "registers with the Department of Consumer and Business Services under ORS 697.031 and maintains the registration in accordance with that section."

13. Under ORS 697.005(1)(a)(A), "collection agency" means, among other things, "A person that engages directly or indirectly in soliciting a claim for collection, or collecting or attempting to collect a claim that is owed, due or asserted to be owed or due to another person or to a public body at the time the person solicits, collects or attempts to collect the claim."

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14. By attempting to collect the purported debt from JB by adding a collection to JB's credit report and sending JB a demand letter, while not being registered as a collection agency in Oregon, Respondent violated ORS 697.015.

Cease and Desist Authority

15. Under ORS 697.093(1)(d)(A), because the Director has reason to believe that Respondent has engaged in violations of ORS 697.015, the Director may issue an order to Respondent to cease and desist from violations of the Oregon Collection Agency Law.

Civil Penalties Authority

16. Under ORS 697.095(1), the Director may impose a civil penalty not to exceed $1,000 against any person "who violates any provision of ORS 697.015 or 697.058 or any rule adopted under ORS 697.031, 697.085 or 697.086."

ORDERS

Now therefore, the Director issues the following Orders:

Cease and Desist

17. As authorized by ORS 697.093(1)(d)(A), the Director ORDERS Respondent to CEASE AND DESIST from violating ORS 697.015.

Civil Penalties

18. As authorized by ORS 697.095(1), the Director hereby ORDERS that Respondent be subject to $400 in CIVIL PENALTIES for doing business in Oregon as a collections agency without registering with the Division.

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FINAL ORDER

19. 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.

SO ORDERED this 28th day of June, 2022.

Andrew R. Stolfi, Director
Department of Consumer and Business Services

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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