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

In the Matter of: KASHABLE LLC, A Delaware Limited Liability Company, Respondent.	Case No. CF-22-0048 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER THIS IS A FINAL ORDER

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"), in accordance with Oregon Revised Statutes ("ORS") 725.010 to 725.910 (the Oregon Consumer Finance Act), and administrative rules promulgated thereunder investigated the activities of Kashable LLC ("Kashable") and determined that a violation had been committed.

Kashable, without either admitting or denying the Findings of Fact or Conclusions of Law contained herein, wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Kashable hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

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. Kashable is a Delaware limited liability company. Kashable's business address is 489 5th Ave., 18th Floor, New York, NY 10017.

2. Kashable makes consumer loans to employees of certain companies and organizations as a voluntary employee benefit.

3. Kashable received its Oregon Consumer Finance license on July 7, 2020.

4. Between April 7, 2021 and June 24, 2021, the Division engaged in an examination of Kashable. In the course of that examination, Kashable disclosed that, between March of 2017 and June of 2020, Kashable had made loans in Oregon prior to Kashable receiving a license to engage in consumer lending in Oregon ("the Pre-License Loans").

5. Kashable did not advertise its services in Oregon prior to Kashable receiving an Oregon Consumer Finance license. However, some of the companies with which Kashable contracted prior to Kashable receiving its Oregon license had employees located in Oregon, and some of these employees applied for and received loans from Kashable. In total, Kashable made seventy-seven (77) loans to Oregon consumers prior to Kashable receiving its Oregon consumer lending license: 8 in 2017; 13 in 2018; 32 in 2019; and 24 in 2020.

6. Each of the Pre-License Loans was made at a rate of interest between 6.63 and 11.99 percent per annum. The terms of these loans ranged from 6 months to 24 months. The principal amounts of the Pre-License Loans ranged from $500 to $9,750.

7. In general, Kashable collected payment of principal and interest on these loans mostly by way of a voluntary deduction from the borrower's wages.

CONCLUSIONS OF LAW

The Director CONCLUDES the following:

Unlicensed Consumer Finance Activity

8. Pursuant to ORS 725.045 (1)(a), a person may not conduct a business in Oregon in which the person makes a consumer finance loan of $50,000 or less unless the person first obtains a consumer finance license.

9. Kashable violated ORS 725.045 (1)(a) in 77 instances by making the Pre-License Loans without first obtaining an Oregon consumer finance license.

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Unlicensed Collection of Principal and Interest

10. Pursuant to ORS 725.045 (1)(b), a person who makes consumer finance loans of $50,000 or less in Oregon without having an Oregon consumer finance license may not "deposit a borrower's or consumer's check, withdraw moneys from a borrower's or consumer's account or otherwise collect, receive or retain principal, interest, a fee or a charge related to or in connection with the consumer finance loan."

11. Kashable violated ORS 725.045 (1)(b) in 77 instances by collecting payments of principal and interest on the Pre-License Loans.

Cease and Desist Authority

12. Pursuant to ORS 725.400 (1), the Director may issue an Order to Cease and Desist if the Director concludes that the Oregon Consumer Finance Law has been violated by a licensee; by a director, officer, employee, or agent of a licensee; or by any person acting as a consumer finance lender without a license.

Authority for Licensing Action

13. Pursuant to ORS 725.230(1)(b), the Director may revoke an Oregon consumer finance license if the Director finds that the licensee has violated a provision of the Oregon Consumer Finance Law or a rule promulgated by the Director under that law.

Civil Penalties Authority

14. Under ORS 725.910(1), the Director may impose a civil penalty of $2,500 per violation against any person who violates the Oregon Consumer Finance Law.

15. Under ORS 725.910(4), the Director may impose an additional civil penalty in an amount "equal to the interest received that exceeds nine percent per annum" against any person who lends money without an Oregon consumer finance license.

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ORDERS

Now therefore, the Director issues the following Orders:

Cease and Desist

16. As authorized by ORS 725.400(1), the Director ORDERS Respondent to CEASE AND DESIST from violating the Oregon Consumer Finance Law.

Civil Penalties

17. As authorized by ORS 731.988(1), the Director hereby ORDERS that Kashable be subject to a CIVIL PENALTY of $8,000 as follows:

(a) $4,000 for violating ORS 725.045 (1)(a) in 77 instances by making consumer finance loans to Oregon residents without first obtaining an Oregon consumer finance license.

(b) $4,000 for violating ORS 725.045 (1)(b) in 77 instances by collecting payments of principal and interest from Oregon residents on loans made prior to Kashable obtaining an Oregon consumer finance license.

18. The Director hereby SUSPENDS payment of $4,000 of the CIVIL PENALTY imposed on Kashable for a period of three years from the effective date of this Order, provided Kashable complies with the following terms:

(a) No later than 30 days after the effective date of this Order, Kashable shall refund to the affected Oregon residents all interest that Kashable collected on the Pre-License Loans that exceeds what would have been collected had the interest on the pre-license loans been set at 9 percent per annum, and shall provide the Division with proof that these refunds have been made; and

(b) For the three years following the effective date of this Order, Kashable shall commit no new violations of the Oregon Consumer Finance Law, or of any rules promulgated thereunder.

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19. The $4,000 non-suspended CIVIL PENALTY assessed herein against Kashable is due and payable at the time this Order is returned to the Division.

20. The $4,000 suspended CIVIL PENALTY will be waived three years from the effective date of this Order, provided Kashable has complied with the forgoing Order terms and does not commit any further violations of the Oregon Consumer Finance Law during the three year period. The Director reserves the right to immediately assess and collect the suspended civil penalty upon a determination that Kashable has violated any term of this Order or has committed any further violation of the Oregon Consumer Finance Law.

21. 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 31st day of January, 2022.

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

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

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ENTITY CONSENT TO ENTRY OF ORDER

I, Einat Steklov, state that I am an officer of KASHABLE LLC and authorized to act on its behalf. I have read the foregoing Order and I know and fully understand the contents hereof. I have been advised of KASHABLE LLC's right to a hearing and right to be represented by counsel in this matter. KASHABLE LLC, without either admitting or denying the Findings of Fact or Conclusions of Law contained herein, voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. KASHABLE LLC understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Consumer Finance Act by KASHABLE LLC. KASHABLE LLC will fully comply with the terms and conditions stated herein.

KASHABLE LLC understands that this Consent Order is a public document.

Signature: */s/ Einat Steklov*

Position Held: Co- CEO

State of New York

County of New York

Signed or attested before me on this 17th day of January, 2022

By Kevin Daly.

/s/ Kevin S. Daly
Notary Public

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