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

In the Matter of: Tri-State Adjustments, Inc. Respondent.	Case No. CA-26-0005 **FINAL ORDER TO CEASE AND DESIST AND FINAL ORDER ASSESSING CIVIL PENALTIES, ENTERED BY CONSENT**

The Division of Financial Regulation ("Division)" acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director") investigated the business activities Tri-State Adjustments, Inc. ("Tri-State") and determined that Tri-State violated certain provisions of Oregon Revised Statutes ("ORS") 697.005 to 697.095 and Oregon Administrative Rules ("OAR") 441-810-0000 through 441-810-0260 (collectively the "Oregon Collection Agency Law").

Tri-State wishes to resolve and settle this matter with the Director.

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

FINDINGS OF FACT

The Director FINDS that:

1. Tri-State ("NMLS[1] #1086778") is a Wisconsin corporation with a principal place of business located at 500 Main Street, Suite 200, La Crosse, WI 54601.

2. On or about April 23, 2025, the Division received a complaint against Tri-State from the Oregon Department of Justice that had been submitted by Oregon resident KB.[2]

[1] Nationwide Multistate Licensing System
[2] Complainant's initials are used herein to protect the privacy of the complainant.

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3. KB stated in the complaint that Tri-State attempted to collect a debt alleged to be owed to a creditor arising out of a transaction in Oregon.

4. After receiving KB's complaint, the Division began an investigation into Tri-State and reviewed the NMLS database to determine if Tri-State had a collection agency registration. The search revealed that Tri-State was approved in other states but did not have an approved collection agency registration in Oregon.

5. On April 23, 2025, the Division sent a request letter ("Request for Information") via certified mail to Tri-State's regulatory contact identified in NMLS seeking a "list of all Oregon consumers and businesses that [Tri-State] has contacted to collect money owed to a third-party and the amount, if any, collected from those consumers and businesses since January 1, 2023."

6. On May 14, 2025, the Division received an email response to the Request for Information which stated that Tri-State had not sought an Oregon collection agency registration because they believed they were exempt from Oregon's registration requirements. In addition to the email response, Tri-State provided a document identifying 1,569 consumers/accounts in Oregon from whom Tri-State had collected $155,518.40 for debts alleged to be owed to third parties.

7. On February 19, 2026, after evaluating Tri-State's position concerning its obligation to obtain a collection agency registration in Oregon, the Division sent a letter requesting that Tri-State provide documentation of any collection efforts in Oregon since May 14, 2025, and requested that Tri-State obtain a collection agency registration in Oregon if they intended to continue to conduct collection agency activity in the state.

8. On March 3, 2026, the Division received a response to the February 19, 2026, letter which expressed Tri-State's intention to obtain an Oregon collection agency registration and also provided the Division with an updated list of Tri-State's third-party

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debt collection in Oregon since May 14, 2025. The updated list included an additional 243 Oregon consumers from whom Tri-State had collected $21,735.39 for debts alleged to be owed to third parties.

9. Shortly after the March 3, 2026, email, Tri-State applied for a collection agency registration and obtained its registration with the Division on April 6, 2026.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

10. ORS 697.015 forbids a person[3] 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."

11. 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."

12. By collecting or attempting to collect claims asserted to be owed to third-party creditors as described in paragraphs 6 and 8, Tri-State was doing business as a collection agency in Oregon.

13. By doing business as a collections agency in Oregon without maintaining a registration as described in paragraph 4, Tri-State committed 1,812 violations of ORS 697.015.

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[3] The definition of person under ORS 697.005(8) includes "an individual, firm, partnership, trust, joint venture, association, limited liability company or corporation."

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14. Under ORS 697.095, "a person who violates any provision of ORS 697.015 or 697.058... is subject to forfeiture and payment of a civil penalty to the Department of Consumer and Business Services in an amount of not more than $1,000 for each offense." OAR 441-810-0140 additionally provides that "civil penalties shall be $400 for the first offense" and "$1,000 for each subsequent offense."

15. Because the Director has reason to believe that Tri-State violated ORS 697.015, the Director is authorized under ORS 697.093(1)(d)(A) to order the company to cease and desist from violating this statute.

ORDERS

Now therefore, the Director issues the following ORDERS:

Order to Cease and Desist

16. As authorized by ORS 697.093(1)(d)(A), the Director ORDERS Tri-State to CEASE AND DESIST from violating ORS 697.015.

Order Assessing Penalties

17. As authorized by ORS 697.095 and OAR 441-810-0140, the Director ORDERS Tri-State to pay $181,500.00 in CIVIL PENALTIES for its 1,812 violations of ORS 697.015.

18. The Director hereby SUSPENDS payment of $141,500.00 of the $181,500.00 CIVIL PENALTY for a period of three years from the effective date of this Order, provided Tri-State complies with the following terms:

A. Tri-State does not violate the terms of this Consent Order; and

B. For the three years following the effective date of this Order, Tri-State shall commit no new violations of the Oregon Collection Agency Law.

19. Along with this Order, Tri-State shall submit $10,000.00 to the Director as the initial payment for the non-suspended portion of the civil penalties.

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20. Payment toward the remaining $30,000.00 of the non-suspended civil penalties shall be made to the Director in the following installments:

A. $5,000.00 within 30 days of the date of entry of this Order;

B. $5,000.00 within 60 days of the date of entry of this Order;

C. $5,000.00 within 90 days of the date of entry of this Order;

D. $5,000.00 within 120 days of the date of entry of this Order;

E. $5,000.00 within 150 days of the date of entry of this Order; and

F. $5,000.00 within 180 days of the date of entry of this Order;

21. The suspended CIVIL PENALTY of $141,500.00 will be waived three years from the effective date of this Order, provided Tri-State has complied with the foregoing Order terms. Tri-State's failure to satisfy any term of this Order will render the suspended penalties immediately due and owing.

22. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or of the Oregon Collection Agency Laws not covered by this Order.

SO ORDERED this 7th day of July, 2026

SEAN E. O'DAY, 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, Michael Zwach, am an officer or manager of Tri-State Adjustments, Inc. ("Tri-State") and I am authorized to act and sign on their behalf. I have read the foregoing Order, and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. Tri-State has been advised of the right to a hearing and of the right to be represented by counsel in this matter and 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. Tri-State understands that the Director reserves the right to take further action against it to enforce this Order or to take appropriate action upon discovery that Tri-State has committed other violations of Oregon law. Tri-State, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Tri-State understands that this Order is a public document.

Signature: /s/ Michael Zwach

Position Held: Owner

State of Wisconsin

County of Hennepin

Signed or attested before me on this 29th day of June, 2026.

/s/ Gopal G Patel

Notary Public

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