

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

In the Matter of:

Case No. CF-22-0040

WHEELS FINANCIAL GROUP, LLC dba
LOANMART dba 1-800LOANMART dba
800LOANMART, a California Limited
Liability Company, and WFG
PURCHASER, LLC, a Delaware Limited
Liability Company,

ORDER TO CEASE AND DESIST,
FINAL ORDER ASSESSING CIVIL
PENALTY, AND CONSENT TO
ENTRY OF ORDER

THIS IS A FINAL ORDER

Respondents.

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) chapter 725 and Oregon Administrative Rules (“OAR”) chapter 441, division 730 (collectively, “the Oregon Consumer Finance Act”), conducted an investigation into the consumer finance-related activities of Wheels Financial Group, LLC, dba LoanMart dba 1-800LoanMart dba 800LoanMart (“Wheels”), and WFG Purchaser, LLC (“WFG”) (collectively, “Respondents”) and determined that Respondents violated certain provisions of the Oregon Consumer Finance Act.

Respondents, without admitting or denying the Director’s Findings of Fact or Conclusions of Law, and to avoid the cost of further proceedings, wish to settle this matter by consenting to entry of this Order.

Now therefore, as evidenced by the signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Wheels is a California limited liability company with a principal place of business at 15400 Sherman Way, Suite 300, Van Nuys, California 91406. WFG is a

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





1 Delaware limited liability company with a principal place of business at 15400 Sherman
2 Way, Suite 170, Van Nuys, California 91406.

3 2. Wheels' Nationwide Multistate Licensing System & Registry ("NMLS")
4 number is 1442517.

5 3. On August 16, 2019, the Director issued a consumer finance license ("License")
6 to Wheels.¹

7 4. From on or around August 16, 2019, through July 31, 2023, Wheels acted
8 pursuant to a Marketing and Program Management Agreement ("Program Agreement")
9 with Capital Community Bank ("Bank"), a Utah-chartered bank, in connection with at least
10 806 secured-vehicle loans to Oregon consumers ("Oregon Loans").

11 5. On or around December 21, 2018, WFG, an affiliate of Wheels, entered into a
12 "Loan Participation Agreement" with the Bank, pursuant to which WFG agreed to, and
13 did, purchase a substantial majority economic interest in the loans originated and funded
14 under the program established pursuant to the Program Agreement, including the Oregon
15 Loans.²

16 6. WFG has never been licensed under ORS Chapter 725.³

17 7. For the benefit of the Bank, Wheels agreed to guaranty the performance of
18 WFG under the Loan Participation Agreement.

19 8. Pursuant to the Program Agreement, Wheels, among other things:

20 A. Agreed to, and did, promote, market, and solicit certain secured
21 consumer loans to be funded by the Bank, including the Oregon Loans;

22 B. Agreed to, and did, receive and evaluate consumer applications and
23 related information for the Oregon Loans, in accordance with the Bank's credit
24

25 ¹ Thereafter, the Director renewed Wheels' License four times. Wheels maintained the License throughout
the investigation.

26 ² The Bank retained title to the loans and remained the secured party for the Oregon Loans.

³ Except as described in this Order, the Director makes no finding that WFG engaged in any activity related
to consumers or the loans, including the Oregon Loans.



1 policy; and

2 C. Agreed to, and did, engage in other activities in connection with the
3 origination and servicing of the Oregon Loans, including but not limited to,
4 administering disbursement of funds from the Bank's account to customers and
5 administering proceeds of collections as directed by the Bank.

6 9. Wheels received fees and other consideration from the Bank for performing the
7 duties set forth in the Program Agreement in connection with each of the Oregon Loans.

8 10. Each of the Oregon Loans was for \$50,000 or less, was secured by personal
9 property or unsecured, and had periodic payments and terms longer than 60 days.

10 11. Each of the Oregon Loans had a stated interest rate in excess of 36% per year.
11 The Director estimates Respondents collected approximately \$1.4 million in interest in
12 connection with the Oregon Loans that exceeded the statutory limits set forth in ORS
13 725.340(1)(a).

14 12. Under the agreements evidencing the Oregon Loans, each borrower gave a
15 power of attorney that authorized the signing of the borrower's name on applications for
16 certificates of title to secure a lien on the vehicle and on affidavits or certificates of title to
17 transfer and convey title or the secured party's interest in the vehicle, and remained in effect
18 until all amounts due under the loan had been paid.

19 13. The agreements evidencing the Oregon Loans provided that, under certain
20 circumstances and to the extent permitted by applicable law, each borrower would be
21 required to pay attorney fees even if the attorney were a salaried employee of Wheels.

22 14. Each of the agreements evidencing the Oregon Loans contained a hold harmless
23 clause.

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CONCLUSIONS OF LAW

The Director CONCLUDES that:

15. Each of the Oregon Loans was a “consumer finance loan” as defined in ORS 725.010(2).

16. In connection with each of the Oregon Loans, Wheels acted as “broker or facilitator” as defined in ORS 725.010(1)(a).

17. In connection with each of the Oregon Loans, Wheels acted as an “agent, broker or facilitator” for the benefit of the Bank within the license requirement of ORS 725.045(1)(a). Moreover, in connection with the Oregon Loans in which WFG purchased a substantial majority economic interest, Wheels, as a service provider for the Bank, acted as an “agent, broker or facilitator” for the benefit of WFG within the license requirement of ORS 725.045(1)(a).

18. As a licensee under ORS Chapter 725, Wheels, in connection with a consumer finance loan, was prohibited from charging, contracting for, and receiving finance charges that, when expressed as an annual percentage rate, exceeded the statutory limits set forth in ORS 725.340(1)(a).

19. In connection with each of the Oregon Loans, Wheels, on behalf of the Bank, collected / received finance charges that, when expressed as an annual percentage rate, exceeded the statutory limits set forth in ORS 725.340(1)(a). Moreover, in connection with the Oregon Loans in which WFG purchased a substantial majority economic interest, Wheels as a service provider for the Bank collected / received finance charges for the benefit of WFG that, when expressed as an annual percentage rate, exceeded the statutory limits set forth in ORS 725.340(1)(a).

20. By charging, contracting for, or receiving finance charges that, when expressed as an annual percentage rate, exceeded the statutory limits set forth in ORS 725.340(1)(a) in connection with each of the Oregon Loans, Wheels violated ORS 725.340(1)(a) in at





1 least 806 instances.

2 21. As a licensee under ORS Chapter 725, Wheels, in connection with a consumer
3 finance loan, was prohibited from taking, directly or indirectly, any power of attorney from
4 a borrower except a power of attorney to effectuate the transfer of ownership of any motor
5 vehicle at the time of making a loan, as specified in ORS 725.050(1).

6 22. In connection with each of the Oregon Loans, Wheels, in performing its duties
7 as a service provider, facilitated loans where the loan agreement provided for taking a
8 power of attorney in favor of the Bank that exceeded the statutory exception set forth in
9 ORS 725.050(1). By facilitating taking such a power of attorney on behalf of the Bank
10 from each borrower, Wheels violated ORS 725.050(1) in at least 806 instances.

11 23. As a licensee under ORS Chapter 725, Wheels, in connection with a consumer
12 finance loan, was prohibited from facilitating⁴ loans when the loan agreement provided for
13 an attorney fee provision that would require a borrower to pay for any of Wheels' attorney
14 fees associated with attorneys who were salaried employees of Wheels.

15 24. In connection with each of the Oregon Loans, Wheels facilitated loans in which
16 the loan agreement provided for an attorney fee provision that, under certain circumstances,
17 would require each borrower to pay attorney fees associated with attorneys who were
18 salaried employees of Wheels.

19 25. By facilitating loans when the loan agreement provided for an attorney fee
20 provision that would require each borrower to pay attorney fees associated with attorneys
21 who were salaried employees of Wheels in connection with each of the Oregon Loans,
22 Wheels violated ORS 725.340(4) in at least 806 instances.

23 26. As a licensee under ORS Chapter 725, Wheels was prohibited from facilitating
24 loans in which the loan agreement contained a hold harmless clause.

25
26 ⁴ As used in this Order, the terms "facilitating" and "facilitated" refer to the actions undertaken by Wheels pursuant to the Program Agreement and guaranty referenced in Paragraph (7).



1 27. In connection with each of the Oregon Loans, Wheels facilitated loans in which
2 the loan agreement contained a hold harmless clause.

3 28. By facilitating loans in which the loan agreement contained a hold harmless
4 clause in connection with each of the Oregon Loans, Wheels violated OAR 441-730-
5 0280(1) in at least 806 instances.

6 29. By engaging in the conduct described in Paragraphs (4)-(5), (7)-(9), and (11) of
7 this Order, in connection with the Oregon Loans, Wheels and WFG were subject to ORS
8 Chapter 725.

9 30. Because WFG was not licensed under ORS Chapter 725 at the time the Oregon
10 Loans were made, ORS 725.045(1)(b) prohibited Respondents from collecting, receiving,
11 or retaining any interest, fee, or charge related to or in connection with any of the Oregon
12 Loans.

13 31. By collecting, receiving, or retaining interest, fees, or charges related to or in
14 connection with each of the Oregon Loans, Respondents violated ORS 725.045(1)(b) in at
15 least 806 instances.

16 32. Because the Director has reason to believe that Respondents have engaged in
17 violations of the Oregon Consumer Finance Act, the Director may issue an order to
18 Respondents to cease and desist from violations of the Oregon Consumer Finance Act,
19 pursuant to ORS 725.400(1).

20 33. Any person who violates the Oregon Consumer Finance Act may be subject to
21 a civil penalty of not more than \$2,500 per violation, pursuant to ORS 725.910(1).

22 ORDERS

23 The Director issues the following ORDERS:

24 34. As authorized by ORS 725.400(1), the Director hereby ORDERS Respondents
25 to CEASE AND DESIST from violating ORS 725.045(1)(b), ORS 725.340(1)(a), ORS
26 725.050(1), ORS 725.340(4), and OAR 441-730-0280(1).



35. Based upon the foregoing and as authorized by 725.910(1), the Director hereby ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of \$660,000 as follows:

- A. \$132,000 for violating ORS 725.045(1)(b);
- B. \$132,000 for violating ORS 725.050(1);
- C. \$132,000 for violating ORS 725.340(1)(a);
- D. \$132,000 for violating ORS 725.340(4); and
- E. \$132,000 for violating OAR 441-730-0280(1).

36. The Director hereby suspends payment of \$660,000 of the CIVIL PENALTY for a period of three years, provided:

A. Respondents commit no further violations of the Oregon Consumer Finance Act;

B. As of the effective date of this Order, Respondents void, nullify, or otherwise remedy those provisions of any agreement evidencing a consumer finance loan to an Oregon consumer to which any Respondent is a party that are, in material respects, the same as any of the provisions described in Paragraphs (12)-(14) and (21)-(28) of this Order;

C. Within thirty (30) days from the effective date of this Order, Respondents shall commence providing pro-rata refunds totaling \$900,000 to borrowers with Oregon Loans (each, an "Oregon Borrower") entitled to redress pursuant to the Redress Plan that Respondents submitted to the Director before the effective date of this Order;

D. For all outstanding Oregon Loans, Respondents shall not collect, receive, or retain any Excess Charges. "Excess Charges" means any and all charges in excess of the limits set forth in ORS 725.340(1)(a) (for the avoidance of doubt, principal and other amounts imposed in compliance with ORS 725.340(1)(a) are



not Excess Charges); and

E. If, at the conclusion of the time period specified in the Redress Plan and despite the use of all reasonable efforts, Respondents still cannot make successful payment to any Oregon Borrower(s), then Respondents shall deliver all remaining refunds for such Oregon Borrower(s) to the Oregon State Treasury ("OST") to be managed and distributed by OST pursuant to Oregon's Unclaimed Property Program. Respondents shall provide OST with all unclaimed funds, along with each applicable Oregon Borrower's contact information and a copy of this Order as set forth in the Redress Plan.

37. The suspended CIVIL PENALTY (\$660,000) will be waived three years from the effective date of this Order, provided Respondents have complied with the foregoing Order terms. Respondents' failure to satisfy any term(s) of this Order will render the entire suspended CIVIL PENALTY immediately due and owing.

38. This Order is final and complete with respect to the subject matter hereof. No further proceedings or actions will be brought by the Director arising out of the Findings of Fact or Conclusions of Law set forth in this Order, except a proceeding to enforce the terms and conditions of this Order.

SO ORDERED this 8th day of December, 2025.

SEAN 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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CONSENT TO ENTRY OF ORDER

I, Susan Germaise, state that I am an officer of WFG and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of WFG's right to a hearing and right to be represented by counsel in this matter. WFG 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. WFG 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 with the terms and conditions stated herein.

WFG further assures the Director that neither WFG nor its officers, directors, employees, or agents will effect consumer finance services in Oregon unless such activities are in full compliance with the Oregon Consumer Finance Act. WFG understands that this Consent Order is a public document.

Signature: /s/ Susan Germaise

Position Held: General Counsel/Corporate Secretary

State of California

County of Los Angeles

Signed or attested before me on this 5th day of December, 2025

by Susan Lynn Germaise.

R. Mendoza
Notary Public