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

In the Matter of: CONSUMER ADVOCACY CENTER INC. dba PREMIER STUDENT LOAN CENTER, Respondent.	Case No. DM-19-0014 FINAL ORDER TO CEASE AND DESIST, ENTERED BY DEFAULT

On February 14, 2019, the Director of the Department of Consumer and Business Services for the State of Oregon ("the Director"), through the Division of Financial Regulation ("the Division"), properly served Respondent, Consumer Advocacy Center Inc. ("CAC") dba Premier Student Loan Center ("PSLC"), and Respondent's attorneys an Order to Cease and Desist and Notice of Right to an Administrative Hearing ("Notice Order") via regular and certified United States mail at the following addresses:

A. 173 Technology Dr. Ste 202, Irvine, CA 92618;

B. 777 E. Sierra Madre Ave., Azusa, CA 91702; and

C. 1855 Griffin Road, Suite A-350, Ft. Lauderdale, FL 33004.

On February 21, 2019, the Director, through the Division, also personally served the Notice Order on Respondent through the Oregon Secretary of State at 255 Capitol Street NE, Suite 151, Salem, OR 97310.

The Notice Order offered Respondent an opportunity for a hearing, if requested in writing within 20 days. The Notice Order further informed Respondent that if a hearing was not conducted because Respondent did not timely request a hearing or other otherwise defaulted, then the designated portion of the Division's file, which includes all materials Respondent submitted, would automatically become part of the contested case record to prove a *prima facie* case. Respondent has not made a written request for a contested

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hearing, and the time to do so has expired.

After considering the relevant portions of the Division's file in this matter, the Director finds that the record proves a *prima facie* case.

Now, therefore, the Director makes the following Findings of Fact and Conclusions of Law and issues the following Order.

FINDINGS OF FACT

The Director FINDS that:

1. CAC is a California corporation doing business as PSLC. Its principal place of business is at 173 Technology Dr., Ste 202, Irvine, CA 92618.

2. Respondent's president is Albert Kim.

3. Respondent is a document preparation company. For a fee, it provides assistance to consumers who wish to apply for the various student loan repayment, consolidation, and forgiveness programs of the U.S. Department of Education ("DOE").

4. Respondent is neither registered with the Oregon Secretary of State to do business in Oregon nor registered with the Oregon Division of Financial Regulation ("the Division") as a debt management service provider ("DMSP").

5. On or about December 9, 2016, Respondent agreed via written contract ("Contract") to provide its services to JD, an Oregon resident. Specifically, Respondent agreed to "analyze [JD]'s situation, review the information provided by [JD], and complete the application forms required for the DOE program(s) that have been selected by [JD]." Respondent further agreed to "prepare for filing an application to initiate a federal student loan consolidation through the DOE on behalf of [JD], or alternatively and at [JD]'s option, identify and apply for other DOE-sponsored programs suitable for [JD]."

6. The Contract included a fee payment schedule that charged JD an enrollment fee totaling $899 to be paid in four installments of $224.75, and a monthly recurring fee of $10 to be paid from May 10, 2017 to December 10, 2036.

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7. On or about December 9, 2016, JD made his first payment of $224.75, which Respondent eventually refunded.

8. On or about January 16, 2019, Respondent filed for Chapter 11 bankruptcy in the United States Bankruptcy Court in the Southern District of Florida, Case No. 19-10655-JKO.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. Because the Director has reason to believe that Respondent violated the Oregon Debt Management Service Provider Law, the Director is authorized under ORS 697.825(1)(a) to order Respondent to cease and desist from violating the Oregon Debt Management Service Provider Law.

10. By agreeing to assist JD in applying to one or more of DOE's student loan repayment, consolidation, and forgiveness programs as described in Paragraphs 5 to 7 of this Order, Respondent modified or offered to modify the terms and conditions of an existing loan from or obligation to a third party.

11. By modifying or offering to modify terms and conditions of an existing loan from or obligation to a third party, Respondent performed a debt management service as defined in ORS 697.602(2)(c).

12. By performing a debt management service without being registered with the Division as a DMSP, Respondent violated ORS 697.612(1)(a).

13. By charging JD an initial fee of $224.75, Respondent violated ORS 697.692(1)(a), which prohibits a DMSP from charging more than a $50 initial fee.

ORDER

Now therefore, the Director issues the following:

14. As authorized by ORS 697.825(1)(a), the Director hereby ORDERS Respondent to CEASE AND DESIST from violating the Oregon Debt Management

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Service Provider Law, including engaging in unregistered DMSP activity in Oregon, or soliciting or advertising the availability of such activity, without first obtaining the requisite registration or license from the Division.

15. This is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit further remedies which may be available to the Director under Oregon law.

SO ORDERED this 14th day of March, 2019.

CAMERON C. SMITH, 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

Except as provided 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 this Order is served.

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