

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

In the Matter of:

Case No. CA-18-0070

WILLIAM J. MARTIN dba
AMERICONTINENTAL COLLECT
COMPANY, an Individual, and
AMERICONTINENTAL COLLECT
COMPANY, LLC, a dissolved Limited
Liability Company,

ORDER TO CEASE AND DESIST,
ORDER ASSESSING CIVIL
PENALTY, ORDER PERMANENTLY
PROHIBITING OREGON
COLLECTION AGENCY AND DEBT
BUYER ACTIVITY, AND CONSENT
TO ENTRY OF ORDER

Respondent.

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) 697.005 to 697.095 and Oregon Administrative Rules (“OAR”) 441-810-0000 through 441-910-0260 (“Oregon Collection Agency Laws”) has determined that William J. Martin dba Americontinental Collect Company (“Martin”) and Americontinental Collect Company, LLC (“ACCL”) (collectively, “Respondents”) engaged in activities that violated the Oregon Collection Agency Laws.

Respondents wish to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter

FINDINGS OF FACT

The Director FINDS that:

1. Beginning in or around 2000, Martin managed VLB Inc. (“VLB”), an Oregon collection agency that did business as ACC. VLB purchased assignments to collect on debts owed to other persons, including debts that had been reduced to legal judgment

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1 (“Judgment Claims”). In addition, VLB often obtained assignments of the legal judgments
2 in order to file writs of garnishment on them.

3 2. On May 9, 2000, the Director issued Oregon collection agency registration
4 number 48661 to VLB.

5 3. VLB’s mailing address was P.O. Box 3514, Portland, Oregon 97208 (“VLB
6 P.O. Box”). VLB maintained a U.S. Bank client trust account ending in -3181 (“VLB
7 Account”).

8 4. At all relevant times, Martin was an authorized signatory on the VLB Account.¹

9 5. From on or around May 9, 2000 through on or around April 30, 2007, VLB
10 purchased Judgment Claim assignments and Martin collected on them. These included
11 Judgment Claims against at least 23 Oregon consumers, including “WW,”
12 “BL/FE/CT/KT,” “SM,” “VB,” “JW,” “MH,” “RV,” “EC,” “SH,” “TC,” “SS,” “JM,”
13 “ER,” “MP,” “JG,” “TG,” “WS,” “MB/SK,” “JR,” “RT/CT,” “TP,” “DM,” and “SH/GH.”
14 (collectively, “the Oregon Judgment Claims”).

15 6. On or around April 30, 2007, VLB sold its assets, including the use of the ACC
16 name, to Martinson’s, Inc. (“MI”), an Oregon collection agency. Around this time, VLB
17 sold the Judgment Claim assignments to Martin.²

18 7. On May 15, 2007, the Director issued Oregon collection agency registration
19 number 49364 to MI.

20 8. On or around May 15, 2007, Martin and MI entered into an agreement whereby
21 Martin would continue to collect on the Oregon Judgment Claims under MI’s Oregon
22 collection agency registration using the ACC name.³

23 9. From on or around May 15, 2007 through on or around November 1, 2013,
24

25 ¹ The other authorized signatory was VLB’s owner, Vicky Bacon.

26 ² On or around May 31, 2007, VLB’s Oregon collection agency registration expired.

³ For the purposes of this matter, the Director makes no determination as to whether this type of arrangement complies with Oregon Collection Agency Laws.



1 Martin collected on the Oregon Judgment Claims under MI's Oregon collection agency
2 registration.

3 10. On or around November 1, 2013, MI sold its assets, including its agreement
4 with Martin, to We Collect Inc dba Atlas Financial Services ("WCI"), a Washington
5 corporation registered as an Oregon collection agency. WCI has been registered as an
6 Oregon collection agency since November 17, 1997.⁴

7 11. On or around May 3, 2014, ACC's assumed business name registration expired.

8 12. On or around February 18, 2015, Martin registered ACCL as an Oregon limited
9 liability company and debt purchasing entity.⁵ At all times, Martin was ACCL's manager
10 and sole officer. At no time has ACCL been registered as an Oregon collection agency.

11 13. From on or around November 1, 2013 through in or around July 2017, Martin
12 collected on the Oregon Judgment Claims under WCI's collection agency registration.
13 Under the terms of the agreement, Martin was required to:

- 14 A. Collect debtor funds, including through writs of garnishment;
15 B. Possess and maintain the Oregon Judgment Claim files; and
16 C. Provide all collected funds to WCI to deposit in its client trust account
17 for processing and disbursement.

18 14. Under the terms of the agreement, 50% of the collected funds would go to the
19 original creditor, 42.5% to Martin and 7.5% to WCI, until the debt's principal had been
20 paid in full. Thereafter, 85% of the collected funds would go to Martin and 15% to WCI,
21 until any remaining interest had been paid in full.

22 15. Other than processing and disbursing funds, WCI performed virtually no work
23 on the Oregon Judgment Claim files. WCI relied entirely on Martin's representations as
24 to file activities and balances.

25 ⁴ WCI holds Oregon collection agency registration number 48495. Its Nationwide Mortgage Licensing
26 System ("NMLS") number is 1676557.

⁵ On or around April 18, 2019, ACCL administratively dissolved.

1 **Independent Collection Activities**

2 16. In addition to the collection activities Martin performed under WCI’s collection
3 agency registration, he performed collection activities on his own behalf as ACC or through
4 ACCL. Primarily, Respondents filed writs of garnishment on the Oregon Judgment Claims
5 that directed payments to the VLB P. O. Box, and collected the payments without providing
6 them to WCI or notifying WCI of their existence.

7 17. From in or around October 2014 through February 2015, Respondents
8 deposited the checks from their independent collection activities into the VLB Account.
9 Despite selling its assets to MI in 2007, and administratively dissolving in 2011, the VLB
10 Account was not closed until in or around February 2015. Martin continued to conduct
11 business through the account until it was closed.

12 18. During this period of time, the VLB Account was used for a variety of business
13 purposes and contained funds unrelated to collection agency activities.

14 19. From February 2015 through December 2017, Respondents deposited the
15 checks from their independent collection activities into an ACCL Wells Fargo client trust
16 account ending in -3751 (“ACCL Account”).

17 **Total Oregon Judgment Claim Collection Activities**

18 20. From in or around 2014 through in or around 2017, Respondents drafted and
19 filed writs of garnishment for each of the Oregon Judgment Claims.

20 21. From in or around June 2014 through in or around December 2017,
21 Respondents collected a total of 202 garnishment checks from each of the Oregon
22 Judgment Claims. The checks totaled approximately \$39,850. They did not provide these
23 funds to WCI. They did not inform WCI they had collected these funds.

24 22. Respondents deposited each of the foregoing garnishment checks into their own
25 bank accounts. Martin deposited 16 checks into the VLB Account and Respondents
26

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1 deposited 174 checks into the ACCL Account.⁶

2 CONCLUSIONS OF LAW

3 The Director CONCLUDES that:

4 23. The Oregon Judgment Claims were “claims” as defined under ORS 697.005(3).

5 24. By collecting on the Oregon Judgment Claims without acting under WCI’s
6 Oregon collection agency registration, including each instance they failed to provide WCI
7 with funds they had collected on those claims, Respondents operated as a “collection
8 agency” as defined under ORS 697.001(1)(a)(A).

9 25. By operating as a collection agency without maintaining a Director-issued
10 collection agency registration, Respondents violated ORS 697.015 in 202 instances.

11 26. The assignors of the Oregon Judgment Claims were “customers” as defined
12 under ORS 697.005(4).

13 27. By depositing garnishment checks from the Oregon Judgment Claims against
14 WW, BL/FE/CT/KT, SM and VB into the VLB Account, which contained funds unrelated
15 to collection agency activities, Respondents comingled the money of customers with other
16 moneys and violated ORS 697.058(3) in 16 instances.

17 28. Because the Director has reason to believe that Respondents have violated ORS
18 697.015 and ORS 697.058, the Director may issue an order to Respondents to cease and
19 desist from those violations pursuant to ORS 697.093(1)(d)(A).

20 29. The Director may impose a civil penalty of up to \$1,000 *per offense* upon a
21 person who violates ORS 697.015 or ORS 697.058.

22 ORDERS

23 Now therefore, the Director issues the following Orders:

24 30. As authorized by ORS 697.093(1)(d)(A), the Director ORDERS Respondents
25 to CEASE AND DESIST from violating ORS 697.015 and ORS 697.058.

26 _____
⁶ It is unknown what Respondents did with the remaining 12 checks.





1 31. Respondents hereby AGREE to permanently refrain from all activities that
2 require registration under Oregon Collection Agency Laws and/or licensure under the
3 Oregon Debt Buyers Laws,⁷ including on behalf of a registered Oregon collection agency
4 and/or licensed Oregon debt buyer. This prohibition includes agreements such as Martin
5 had with WCI and extends to any and all successor entities owned or managed by Martin.

6 32. Martin may sell the Oregon Judgment Claims, and/or any other Oregon
7 judgment claim assignments, to a registered Oregon collection agency. Martin will notify
8 the Division of Financial Regulation (“Division”) of any such sales and will identify the
9 purchasing collection agency.

10 33. As authorized by ORS 697.095, the Director hereby proposes to ORDER that
11 Respondents be jointly and severally subject to a CIVIL PENALTY of \$87,200 as follows:

12 A. \$80,800 for violating ORS 697.015 in 202 instances; and

13 B. \$6,400 for violating ORS 697.058(3) in 16 instances.

14 34. The Director hereby suspends payment of \$67,200 of the CIVIL PENALTY for
15 a period of three years, provided Respondents:

16 A. Pay the remaining \$20,000 of the CIVIL PENALTY pursuant to the
17 terms of this Order; and

18 B. Do not violate the Oregon Collection Agency Laws within the three-
19 year time period.

20 35. The non-suspended portion of the CIVIL PENALTY assessed herein (\$20,000)
21 is due and payable as follows:

22 A. \$2,000 at the time this Order is returned to the Division;

23 B. \$750 a month for 24 months thereafter. The first monthly payment shall
24 be due on October 1, 2019 and subsequent payments shall be due on the first
25

26 ⁷ The Oregon Debt Buyers Laws consist of ORS 646A.640 to ORS 646A.673 and OAR Chapter 441, Division 820.

1 business day of each month.

2 36. The suspended CIVIL PENALTY (\$67,200) will be waived three years from
3 the effective date of this Order, provided Respondents have complied with the foregoing
4 Order terms. The Director reserves the right to immediately assess and collect the
5 suspended civil penalty upon a determination that Respondents have violated any term of
6 this Order.

7 37. This Order is binding upon Respondents’ successors and assigns.

8 38. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that
9 provision, the entry of this Order does not limit other remedies that are available to the
10 Director under Oregon law.

11
12 SO ORDERED this 4th day of September, 2019.

13 CAMERON C. SMITH, Director
14 Department of Consumer and Business Services

15 /s/ Dorothy Bean
16 Dorothy Bean, Chief of Enforcement
17 Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, William J. Martin, state that I have read the foregoing Order and that I know and fully understand the contents hereof. I have been advised of my right to a hearing and of my right to be represented by counsel in this matter. I voluntarily consent 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. I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Collection Agency Laws by me. I will fully comply with the terms and conditions stated herein.

Signature: /s/ William J. Martin

State of Oregon

County of Multnomah

Signed or attested before me on this 28th day of August, 2019 by

William J. Martin.

/s/ Stephen Carl Johnson

Notary Public

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ENTITY CONSENT TO ENTRY OF ORDER

I, William J. Martin, state that I was an officer of ACCL and authorized to act on its behalf. I have read the foregoing Order and that I know and fully understand the contents hereof. I have been advised of ACCL’s right to a hearing and right to be represented by counsel in this matter. ACCL 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. ACCL 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 Collection Agency Laws by ACCL. ACCL will fully comply with the terms and conditions stated herein.

ACCL understands that this Consent Order is a public document.

Signature: /s/ William J. Martin

Position Held: Manager

State of Oregon

County of Multnomah

Signed or attested before me on this 28th day of August, 2019

By William J. Martin.

/s/ Stephen Carl Johnson

Notary Public

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