STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
ENFORCEMENT SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of: **FIRST METROPOLITAN BANK, INC., an Oregon corporation, JEAN CHRISTOPHE PUJALTE and G.P. WILLIAMS,** **Respondents.**	**B-05-0041-6** **FINAL ORDER TO CEASE AND DESIST ENTERED BY DEFAULT**

On June 24, 2005, the Director of the Department of Consumer and Business Services for the State of Oregon (hereafter "the Director"), acting by and pursuant to the authority of the Oregon Banking Laws, Oregon Revised Statutes ("ORS") Chapters 705, 706, 707 and 722, and other applicable authority (hereinafter cited as "the Oregon Banking Law"), issued Administrative Order No. B-05-0041-2 **ORDER TO CEASE AND DESIST AND NOTICE OF RIGHT TO A PUBLIC HEARING** ("the Proposed Order") against Respondents First Metropolitan Bank, Inc., Jean Christophe Pujalte and G.P. Williams.

On June 29, 2005, the registered agent for the corporate Respondent, Frederick Conway, was duly served with a true copy of the Proposed Order by United States Mail, postage prepaid, and addressed to 818 SW 3rd Avenue, Suite 401, Portland Oregon 97204.

NOW THEREFORE, after consideration of the Investigation Report and accompanying exhibits submitted in this matter by Margaret V. Green, the Director

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hereby issues the following Findings of Fact, Conclusions of Law, and Final Order.

FINDINGS OF FACT

The Director makes the following Findings of Fact:

1. First Metropolitan Bank, Inc., (hereinafter "Respondent First Metropolitan"), is registered with the State of Oregon Secretary of State as an Oregon domestic business corporation. Respondent First Metropolitan was incorporated on May 24, 1999; its registration was due for renewal on May 24, 2005. Respondent First Metropolitan filed its principal place of business as 818 SW 3rd Avenue #401, Portland, Oregon 97204. Jean Christophe Pujalte (hereinafter "Respondent Pujalte") is listed as the president of Respondent First Metropolitan, with an address of 25 Bovevard Des Italiens, Paris, France. G.P. Williams (hereinafter "Respondent Williams") is listed as secretary of Respondent First Metropolitan, with an address of 2 Lansdowne Row #233, Berkeley Square, London, Great Britain.

2. Respondent First Metropolitan uses the name set out above in the solicitation or transaction of its business.

3. Frederick Conway (hereinafter "Conway") is the registered agent for Respondent First Metropolitan, a registration having been filed with the Oregon Secretary of State, Corporations Division, listing Conway as the registered agent with an address of 818 SW 3rd Avenue #401, Portland, Oregon 97204.

4. ORS 56.023 (1) requires a certificate issued under ORS 705.635 for a business registry filing to be appropriately made with the Oregon Secretary of State if the name is to contain, inter alia, the word or words "banc," "bancorp," "bank," "trust," or "trustee," or their equivalents in English or another language.

5. ORS 705.635 sets out the procedure by which a person may submit a request to the Director for a certificate of compliance with the Oregon banking requirements, which would permit the person to lawfully file a business registry with the

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Secretary of State as set forth in ORS 56.023 (1).

6. Respondent First Metropolitan has not applied for, or been previously granted, a certificate pursuant to ORS 705.635. Respondent First Metropolitan has not been otherwise approved to conduct a banking business as defined in ORS 706.005 (6) or 722.012.

7. ORS 705.638 imposes regulations on businesses engaging in banking activities. It states in relevant part that, "[a] company organized under the laws of this state for the purposes of conducting a banking business as defined in ORS 706.005 (6) either within or outside this state shall be organized under ORS chapter 707" and, "[a] company organized under the laws of this state to transact savings and loan business as defined in ORS 722.004 (25) either within or outside this state shall be organized under ORS chapter 722." ORS 705.638(2) and (3) respectively. Respondent First Metropolitan is not organized under these statutes.

8. On behalf of the Director, staff of the Banking Section of the Division of Finance and Corporate Securities ("Division") undertook to inquire and investigate the circumstances under which the corporate Respondent had come to use the word "bank," "trust" or any derivative thereof as set forth in ORS 56.023 in its name. Specifically, Division staff undertook the following during the period beginning at least as early as December 1, 2004 through the present:

a. The Division reviewed and analyzed information from the Oregon Secretary of State, Corporations Division, reflecting the Respondents' registration therewith.

b. The Division made significant attempts to contact the Respondents, including multiple mailings to the Respondents directly, through the Registered Agent, or both.

c. The Division requested that the Respondents contact the Division, and

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requested that the Respondents comply with the requirements of ORS 705.635. Respondents failed to contact the Division, failed to provide adequate information about their businesses and operations, and failed to amend their business registry filings to comply with Oregon law.

9. ORS 707.005 states that "[i]t is unlawful for any person to engage in or transact a banking or trust business within this state except by means of an entity duly organized for the purpose."

10. ORS 707.010 prohibits a person who has not received from the Director a certificate to do banking business from doing any of the following:

(a) Advertising that it is receiving or accepting money on deposit;

(b) Using a sign at its place of business containing words indicating that the place is a place of business: (i) of a banking institution; (ii) where deposits are received or payments made on check; or (iii) where any other form of banking business is transacted;

(c) Making use of or circulating any letterheads, blank notes, blank receipts, certificates, circulars or any written or printed paper containing words indicating that the business is the business of a banking institution;

(d) Transacting business under any name that the Director determines leads the public to believe that its business is that of a banking institution or that it is affiliated with a banking institution; or

(e) Soliciting or receiving deposits or transacting business in the manner of a banking institution or in such a manner as to lead the public to believe that its business is that of a banking institution.

ORS 722.012 imposes similar requirements on entities operating as a savings and loan or with the words "savings and loan" in its name.

11. Respondents have filed a name with the Oregon Secretary of State that

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has the word "bank," "trust," or a derivative thereof in its name as set forth in ORS 56.023, and/or implies or may imply that these Respondents are conducting a banking business or are affiliated with a banking institution.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

12. Respondents violated Oregon law, including but not limited to ORS 56.023, 705.635 and 707.010 by failing to obtain a certification from the Division as required by Oregon Law, failing to properly list their business name with the Oregon Secretary of State, and by improperly registering to do business in Oregon using at least one of the terms or equivalent thereof set forth in ORS 56.023, without first obtaining the certificate required under ORS 705.635.

13. By virtue of their registration with the Oregon Secretary of State, Corporations Division, and other materials by which they hold themselves out for business, Respondents have used at least one sign at or in the conduct of their businesses containing words indicating that the place is a place of business of a banking institution where deposits are received, or payments made on check or where any other form of banking business is transacted. Respondents are soliciting or transacting business in violation of ORS 707.010.

14. Respondents have failed to comply with the registration and certification requirements under the Oregon Banking Laws, including but not limited to ORS 707.635, 707.638, 707.005, 707.010 and/or 722.012. Respondents have failed to meet the necessary requirements to register or file their business name with the Oregon Secretary of State. Respondents have used the word "bank," "trust," or a derivative thereof as set forth in ORS 56.023, in their names in violation of the statutes set out in this paragraph.

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ORDER

NOW, THEREFORE, THE DIRECTOR ORDERS that, pursuant to ORS 705.640 and ORS 59.885(4), Respondents First Metropolitan Bank, Inc., Jean Christophe Pujalte and G.P. Williams each **CEASE AND DESIST** from violating any provision of Oregon Law as set forth above, and any rule, order or policy issued by the Division.

Dated this 22nd day of July, 2005 at Salem, Oregon NUNC PRO TUNC June 24, 2005.

CORY STREISINGER, Director
Department of Consumer and Business Services

Floyd Lanter, Administrator
Division of Finance and Corporate Securities

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