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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:) CA-07-0007
RC Services, Inc.)
Respondents.) ORDER TO CEASE AND DESIST,
ORDER ASSESSING CIVIL
PENALTY, AND CONSENT TO
ENTRY OF ORDER
)

WHEREAS the Director of the Department of Consumer and Business Services (hereinafter, "the Director") has conducted an investigation of certain business activities conducted by RC Services, Inc., and the Director has determined that RC Services, Inc. operated as a collection agency in the State of Oregon in violation of Oregon law governing collection agencies, Oregon Revised Statutes Chapter 697 and Oregon Administrative Rules Chapter 441, Division 810;

WHEREAS RC Services, Inc. wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this Order, RC Services, Inc. hereby **CONSENTS** to entry of this Order to Cease and Desist upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director **FINDS** that:

- 1. RC Services, Inc. (hereinafter, "RC Services") is a Washington corporation with a principal place of business at

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3481
Telephone: (503) 378-4387



Division of Finance and Corporate Securities
Labor and Industries Building
350 West Street, Suite 410
Salem, OR 97301-3888
Telephone: (503) 378-4387



1 9311 SE 36th Street, Suite 230, Mercer Island, WA 98040. Bruce
2 Caplin is president of RC Services.

3 2. RC Services is a collection agency that specializes in
4 collecting student loans and campus-based receivables for
5 colleges, universities, and other educational institutions.

6 3. From approximately July 1994 to July 2003, RC Services
7 was registered as a collection agency with Oregon Department of
8 Consumer and Business Services (hereinafter, "DCBS").

9 4. In July 2003, RC Services failed to renew its
10 collection agency registration with DCBS.

11 5. Between August 2003 and March 2007, RC Services
12 collected a total of at least \$2.6 million from more than 5,600
13 Oregon accounts placed with RC Services. Those accounts were
14 for claims owed or due to other people or public bodies.

15 6. The DCBS has no record of collection agency
16 registration for RC Services from August 2003 to March 2007.

17 CONCLUSION OF LAW

18 The Director **CONCLUDES** that from August 2003 to March 2007,
19 Respondent RC Services, Inc. operated as a collection agency in
20 Oregon without maintaining a collection agency registration with
21 the Oregon Department of Consumer and Business Services, in
22 violation of ORS 697.015.

23 ORDER

24 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

25 1. Pursuant to ORS 697.093, Respondent RC Services, Inc.
26 is **ORDERED TO CEASE AND DESIST** from:

Division of Finance and Corporate Securities
Laboratory Building
350 Winter Street, NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 a. Operating as a collection agency in Oregon without
2 maintaining a collection agency registration with the Oregon
3 Department of Consumer and Business Services, in violation of
4 ORS 697.015;

5 b. Violating any provision of Oregon Revised
6 Statutes Chapter 697 or Oregon Administrative Rules Chapter 441,
7 Division 810.

8 2. Pursuant to the authority of ORS 697.095, the DIRECTOR
9 hereby **ASSESSES a CIVIL PENALTY** in the amount of \$40,000 (forty
10 thousand dollars) against Respondent RC Services, Inc., for
11 violations of ORS 697.015 the payment of \$20,000 (twenty
12 thousand dollars) of which is suspended so long as the
13 Respondent complies with all terms of this Order; **PROVIDED**
14 **HOWEVER**, that the suspended portion of the this penalty and
15 statutory interest accruing from the date the Director signs
16 this Order, will be immediately due and payable upon a
17 determination by the Director that the Respondent has violated
18 any term of this Order, or any provision of Oregon Revised
19 Statutes Chapter 697 and Oregon Administrative Rules Chapter
20 441, Division 810.

21 3. Respondent RC Services, Inc. will pay a down payment of
22 \$5,000 (five thousand dollars) to the Oregon Department of
23 Consumer and Business Services upon the execution of this order,
24 and will pay the remaining \$15,000 (fifteen thousand dollars)
25 balance of the due and payable portion of the civil penalty in
26 monthly payments of no less than \$5,000 (five thousand dollars)

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
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1 per month, due no later than the tenth day of each month,
2 beginning June 1, 2007. There is no prepayment penalty. There
3 is no interest for the civil penalty installment payments, so
4 long as payments are timely made in compliance with this payment
5 plan.

6 4. If Respondent RC Services, Inc. fails to comply with
7 the payment schedule, is late with a monthly payment, or does
8 not make a monthly payment, then the entire unpaid portion of
9 the civil penalty, including the suspended portion of the civil
10 penalty, and statutory interest accruing from the date the
11 Director signs this Order, will become immediately due and
12 payable.

13 The entry of this Order in no way limits further remedies
14 which may be available to the Director under Oregon law.

15 Dated this 20th day of April, 2007 at Salem,
16 Oregon.

17 CORY STREISINGER, Director
18 Department of Consumer and Business Services

19 

20 David Tatman, Administrator
21 Division of Finance and Corporate Securities

22 **CORPORATE CONSENT TO ENTRY OF ORDER**

23 **for Bruce Caplin on behalf of RC Services, Inc.**

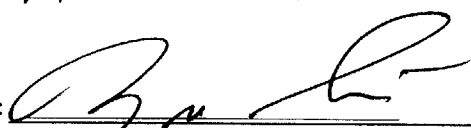
24 I, Bruce Caplin, state that I am an officer of RC Services,
25 Inc. and I am authorized to act on its behalf; that I have read
26 the foregoing Order and that I know and fully understand the

1 contents hereof; that the factual allegations stated herein are
2 true and correct; that RC Services, Inc. and I have been advised
3 of the right to a hearing and of the right to be represented by
4 counsel in this matter; that RC Services, Inc., voluntarily and
5 without any force or duress, consents to the entry of this
6 Order, expressly waiving any right to a hearing in this matter;
7 that RC Services, Inc. understands that the Director reserves
8 the right to take further actions to enforce this Order or to
9 take appropriate action upon discovery of other violations of
10 the Oregon laws governing collection agencies; and that RC
11 Services, Inc. will fully comply with the terms and conditions
12 stated herein.

13 RC Services, Inc. further assures the Director that neither
14 RC Services, Inc. nor its officers, directors, employees or
15 agents will conduct business as a collection agency in Oregon
16 unless such activities are in full compliance with the terms of
17 this Order and with Chapter 697 of the Oregon Revised Statutes
18 and Chapter 441, Division 810, of the Oregon Administrative
19 Rules.

20 RC Services, Inc. understands that this Consent Order is a
21 public document.

22 Dated this 12 day of April, 2007.

23
24 By: 
25 **BRUCE CAPLIN**
26 (Office Held): PRESIDENT

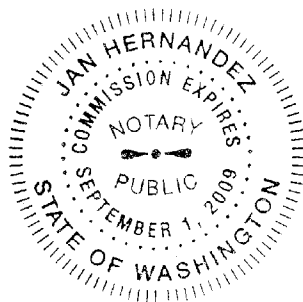
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CORPORATE ACKNOWLEDGMENT

There appeared before me this 12th day of April, 2007,
Bruce Caplin, who was first duly sworn on oath, and stated that
he is President of RC Services, Inc. and
that he is authorized and empowered to sign this Consent to
Entry of Order on behalf of RC Services, Inc., and to bind RC
Services, Inc. to the terms hereof.



[Signature]
(Individual)

JAN HERNANDEZ
(Printed Name of Notary Public)

Notary Public
for the State of: Wa
My commission expires: 9.01.09

Division of Finance and Corporate Securities
and Industries Building
350 W. Washington Street, Suite 410
Salem, OR 97301-3488
Telephone: (503) 378-4387

