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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
7 **OF CONSUMER AND BUSINESS SERVICES**

8 In the Matter of:

I-10-0037

9 **RANDALL GINGER**, dba GR Financial
10 and dba National-Paydayloan,

**FINAL ORDER TO CEASE AND
DESIST AND ORDER ASSESSING
CIVIL PENALTY ENTERED BY
DEFAULT**

11 Respondent.

12 On February 15, 2011, the Director of the Department of Consumer and Business
13 Services for the State of Oregon (hereafter “the Director”), acting by and pursuant to the
14 authority of the Oregon Consumer Finance Act, Oregon Revised Statutes (“ORS”) chapter 725,
15 and other applicable authority, issued Administrative Order No. I-10-0037, ORDER TO CEASE
16 AND DESIST, PROPOSED ORDER ASSESSING CIVIL PENALTY AND NOTICE OF
17 RIGHT TO A HEARING (“the Proposed Order”) against Respondent RANDALL GINGER, dba
18 GF Financial and dba National-Paydayloan.

19 On March 1, 2011, Respondent RANDALL GINGER was duly served with a true copy
20 of the Proposed Order by certified United States Mail, postage prepaid, Item No. RC 016 476
21 680 US, and addressed to Randall Ginger, GR Financial, 1959 Marine Dr., Unit 860, North
22 Vancouver, BC V7P 3G1 CANADA.

23 Respondent RANDALL GINGER has not made a written request for a contested case
24 hearing in this matter and time to do so has now expired.

25 NOW THEREFORE, after consideration of the file in this matter maintained by the
26 Division of Finance and Corporate Securities, including any materials that Respondent
RANDALL GINGER may have submitted, the Director hereby issues the following Findings of
Fact, Conclusions of Law, and Final Order.

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





I.

FINDINGS OF FACT

The Director FINDS that:

1. RANDALL GINGER (“GINGER”) is, by information and belief, an individual who is a resident of British Columbia, Canada and who is or was at all relevant times herein doing business as GR Financial and National-Paydayloan. GINGER is believed to be operating GR Financial and National-Paydayloan from 1959 Marine Drive, Unit 860, North Vancouver, British Columbia V7P 3G1 Canada. At all relevant times, neither GINGER, GR Financial or National-Paydayloan.com were registered to do business in Oregon with the Oregon Secretary of State as a foreign business.

2. GINGER, acting through GR Financial and National-Paydayloan.com, holds himself out to be in the business of making short-term consumer loans to individuals. GR Financial conducts its consumer loan business via the Internet through its website www.national-paydayloan.com.

3. At all relevant times herein, neither GINGER, GR Financial or National-Paydayloan were licensed in Oregon with the Director as a consumer lender.

4. At all times relevant to this matter, the individual identified herein as “JA” was a resident of the State of Oregon.

5. In August 2009, JA negotiated a short term consumer loan with GR Financial via the Internet through the website www.national-paydayloan.com. JA obtained the loan primarily for personal, family or household purposes. JA negotiated the loan with GR Financial while being physically present in Oregon. As part of the loan terms, JA provided GR Financial with his Oregon bank account information, and allowed GR Financial to access his account. JA’s bank account was with a branch of a bank located in Oregon.

6. On or about August 19, 2009, GR Financial deposited the loan principal of \$300 in JA’s Oregon bank account. Under the terms of the loan, JA was charged a finance charge of

1 \$90. Under the terms of the loan agreement, the loan principal and the finance charge were due
2 on August 28, 2009, a period of less than 31 days from the date of the loan. When JA failed to
3 pay off the loan on August 28, 2009, GR Financial debited JA's Oregon bank account in the
4 amount of \$90, an effective APR of 1216.67 percent. Thereafter, GR Financial continued to
5 debit JA's Oregon bank account approximately every 14 days in the amount of \$90 until JA had
6 repaid at least \$500 to GR Financial.

7 **II.**

8 **CONCLUSIONS OF LAW**

9 The Director CONCLUDES that:

10 7. The short term consumer loan made to Oregon resident JA by GINGER through GR
11 Financial and www.national-paydayloan.com is a payday loan as defined in ORS 725.600(3).

12 8. The payday loan made by GINGER through GR Financial and [www.national-](http://www.national-paydayloan.com)
13 [paydayloan.com](http://www.national-paydayloan.com) to Oregon resident JA was subject to ORS chapter 725 because GR Financial
14 made a loan for personal, family or household purposes of less than \$50,000 to a consumer who
15 resided in Oregon and the consumer made a payment on the loan in this state as that term is
16 defined in ORS 725.602 when GR Financial debited JA's Oregon bank account, which was with
17 a branch of a financial institution located in Oregon.

18 9. GINGER violated ORS 725.045(1) by conducting a business in which it made a
19 payday loan as defined by ORS 725.600(3) to an Oregon resident without first obtaining a
20 license under ORS chapter 725.

21 10. GINGER violated ORS 725.622(1)(a) by making or renewing a payday loan at a rate
22 of interest that exceeds 36 percent per annum, excluding a one-time origination fee for a new
23 loan.

24 11. GINGER violated ORS 725.622(1)(d) by making or renewing a payday loan for a
25 term of less than 31 days.

26 12. GINGER, as a principal of GR Financial, acted as an agent, broker or facilitator for



1 the purpose of making a payday loan without first obtaining a license from the Director in
2 violation of ORS 725.610.

3 **III.**

4 **ORDERS**

5 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

6 Cease and Desist Order

7 13. Pursuant to the authority of ORS 725.400, the Director hereby ORDERS Respondent
8 RANDALL GINGER to CEASE AND DESIST from violating any provision of the Oregon
9 Consumer Finance Act, ORS chapter 725, OAR 441-730-0000 through 441-730-0320, or any
10 rule, order, or policy issued by the Director under that chapter.

11 Order Assessing Civil Penalty

12 14. Pursuant to the authority of ORS 725.910, the Director may assess a CIVIL
13 PENALTY in an amount determined by the Director of not more than \$2,500 per violation
14 against any person who violates any provision of the Oregon Consumer Finance Act, ORS
15 chapter 725.

16 15. Pursuant to ORS 725.910, the Director hereby ORDERS Respondent RANDALL
17 GINGER to pay a CIVIL PENALTY in the amount of \$7,500 (seven thousand five hundred
18 dollars) for the following violations:

19 A. A CIVIL PENALTY of \$2,500 (two thousand five hundred dollars) for conducting a
20 business in which it made a payday loan as defined by ORS 725.600(3) to an Oregon resident
21 without first obtaining a license under ORS chapter 725 in violation ORS 725.045(1);

22 B. A CIVIL PENALTY of \$2,500 (two thousand five hundred dollars) for making or
23 renewing a payday loan at a rate of interest that exceeds 36 percent per annum, excluding a one-
24 time origination fee for a new loan, in violation of ORS 725.622(1)(a); and

25 C. A CIVIL PENALTY of \$2,500 (two thousand five hundred dollars) for violation of
26 ORS 725.622(1)(d) by making or renewing a payday loan for a term of less than 31 days.



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

3 IT IS SO ORDERED.

4 Dated this 25th day of March, 2011 at Salem, Oregon

5 NUNC PRO TUNC February 15, 2011.

6 SCOTT L. HARRA, Acting Director
7 Department of Consumer and Business Services

8 /s/ David Tatman
9 Division of Finance and Corporate Securities

10 **NOTICE OF RIGHT TO APPEAL**

11 You are entitled to seek judicial review of this order. Judicial review may be obtained by
12 filing a petition for review with the Oregon Court of Appeals within sixty (60) days from the
13 service of this final order. Judicial review is pursuant to the provisions of ORS 183.482.

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