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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:

9 **Case No. DM-11-0117**

10 **FINANCIAL ASSISTANCE GROUP,**
11 **INC.,** f/k/a Debt Restructuring of
12 America, Inc.;

13 **FINAL ORDER TO CEASE AND**
14 **DESIST AND FINAL ORDER**
15 **ASSESSING CIVIL PENALTY**
16 **ENTERED BY DEFAULT**

17 Respondent.

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19 On December 7, 2011, the Director of the Department of Consumer and Business
20 Services for the State of Oregon (hereinafter “the Director”), acting pursuant to the authority
21 of the Oregon Revised Statutes (“ORS”) 697.602 to 697.842 hereby issued Administrative
22 Order No. DM-11-0117, ORDER TO CEASE AND DESIST, PROPOSED ORDER
23 ASSESSING CIVIL PENALTY AND NOTICE OF OPPORTUNITY FOR AN
24 ADMINISTRATIVE HEARING (“the Proposed Order”) against Respondent Financial
25 Assistance Group, Inc., formerly known as Debt Restructuring of America, Inc. (“Financial
26 Assistance Group” or “Respondent”).

On November 23, 2011, the Division of Finance and Corporate Securities (“Division”) mailed a true copy of the Proposed Order by certified United States Mail, postage prepaid, at 455 S. 4th Street, Suite 1150, Louisville, Kentucky 40202 (Item No. 7008 1830 0003 3147 3031). Delivery of the envelope was attempted three times: on December 17, 2011, December 22, 2011, and on January 3, 2012. Acceptance of the envelope was refused each time. The Proposed Order was returned to the Division. A true copy of the Proposed Order was also sent by regular mail to Financial Assistance Group at same address. It was not returned.

Financial Assistance Group was duly served with a true copy of the Proposed Order.



1 Financial Assistance Group has not made a written request for a contested case hearing in this
2 matter and time to do so has now expired.

3 NOW THEREFORE, after consideration of the file in this matter maintained by the
4 Oregon Department of Consumer and Business Services, including any materials that
5 Financial Assistance Group may have submitted, the Director hereby issues the following
6 Findings of Fact, Conclusions of Law, and Final Orders.

7 **I.**

8 **FINDINGS OF FACT**

9 The Director FINDS that:

10 1. Financial Assistance Group, Inc. is a Kentucky corporation initially formed April
11 20, 2011, Kentucky Secretary of State file number 0789865. The company has principal
12 business offices located at 455 S. Fourth Street, Suite 1150 or Suite 1484, Louisville, Kentucky
13 40202. Financial Assistance Group currently maintains the website <http://fagi.biz> and has
14 maintained other websites in the past. Financial Assistance Group is not a registered business
15 name with the Oregon Secretary of State.

16 2. At all times relevant to this matter, Financial Assistance Group, acting under its own
17 name and under its former business name, Debt Restructuring of America, Inc., held itself
18 out as a debt management service provider, as defined by ORS 697.602 and 697.612, by
19 receiving money in return for obtaining or attempting to obtain, as an intermediary on a
20 consumer's behalf, a concession from a creditor including, but not limited to, a reduction in
21 the principal, interest, penalties or fees associated with a debt.

22 3. Respondent, by and through its employees, contacted Oregon residents offering to
23 provide debt management services. Respondent, by and through its employees, contacted
24 Oregon residents by telephone, electronic mail, and United States mail. Respondent, by and
25 through its employees, directed Oregon residents to view its website.

26 4. The person identified hereinafter as "JCM" is and was at all relevant times herein an

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Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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1 Oregon resident who did business with Respondent.

2 5. From January 2010 to present, Respondent entered into debt management service
3 agreements with at least one Oregon resident. On or before August 2010, JCM was enrolled
4 with Respondent as a debt management client. JCM was informed by employees of
5 Respondent that Respondent would reduce and/or settle his credit card debt. Respondent
6 represented to JCM that it would “[n]egotiate with [JCM’s] creditors or other third parties in
7 order to reach settlements so that [JCM] may avoid the cost and uncertainty of litigation.”
8 From August 2010 until August 2011, JCM paid Respondent a monthly fee of \$247.80 for
9 debt management services for a total paid for the 13-month period of \$3,221.40.

10 6. Respondent did not settle or negotiate any of JCM’s credit card debt.

11 7. Financial Assistance Group charged its Oregon client an initial fee in an amount
12 greater than \$50.

13 8. At no time material to this Order was Financial Assistance Group registered in
14 Oregon with the Director as a debt management service provider or licensed with the Director
15 as a mortgage broker, mortgage banker or mortgage loan originator.

16 9. At no time material to this Order did Financial Assistance Group file a bond with
17 the Director as required by Oregon law.

18 II.

19 CONCLUSIONS OF LAW

20 The Director CONCLUDES that:

21 10. Respondent Financial Assistance Group performed debt management services as
22 defined by ORS 697.602(2)(d) when it received money in return for obtaining or attempting to
23 obtain as an intermediary on a consumer’s behalf a concession from a creditor including, but
24 not limited to, a reduction in the principal, interest, penalties or fees associated with a debt.

25 11. Respondent Financial Assistance Group violated ORS 697.612 by engaging in the
26 business of debt management service provider without being registered with the Director

1 pursuant to ORS chapter 697.

2 12. Respondent Financial Assistance Group violated ORS 697.642(1) when it
3 performed debt management services without first filing a bond issued by one or more
4 corporate sureties authorized to do business in Oregon.

5 13. Respondent Financial Assistance Group violated ORS 697.692(1)(a) when it
6 charged consumers an initial fee of more than \$50.

7 **III.**

8 **ORDERS**

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

10 *Order to Cease and Desist*

11 14. Pursuant to the authority of ORS 697.825(1)(a), the Director hereby ORDERS
12 Respondent Financial Assistance Group, and all entities owned or controlled by Financial
13 Assistance Group, their successors and assignees, to CEASE AND DESIST from violating
14 any provision of the Oregon statutes regulating debt management service providers, ORS
15 chapter 697, and any rule, order, or policy issued by the Director under ORS chapters 697.

16 *Order Assessing Civil Penalty*

17 15. Pursuant to the authority of ORS 697.832, the Director may assess a CIVIL
18 PENALTY in an amount of not more than \$5,000 per violation against any person who
19 violates ORS 697.602 to ORS 697.842, rules adopted pursuant to ORS 697.632 or any order
20 issued under ORS 697.825.

21 16. Pursuant to ORS 697.832, the Director hereby assesses Respondent Financial
22 Assistance Group a CIVIL PENALTY in the amount of \$15,000 (fifteen thousand dollars) as
23 follows:

24 A. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of the
25 registration provisions of ORS 697.602(2)(d) by engaging in the business of performing debt
26 management services without being registered with the Director pursuant to ORS chapter



1 697;

2 B. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS
3 697.642(1) for performing debt management services without first filing a bond as required by
4 ORS chapter 697; and

5 C. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS
6 697.692(1)(a) by charging consumers an initial fee of more than \$50.

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

9 IT IS SO ORDERED.

10 Dated this 31st day of January, 2012 at Salem, Oregon, NUNC
11 PRO TUNC December 7, 2011.

PATRICK ALLEN, Acting Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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