

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

In the Matter of

Case No. PD-13-0207

ARCHER DIRECT, LLC

FINAL ORDER TO CEASE AND
DESIST, ORDER SUSPENDING
COLLECTION ACTIVITIES AND
ORDER ASSESSING CIVIL PENALTY
ENTERED BY DEFAULT

Respondent.

On November 12, 2013, the Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”), acting under the authority of ORS 725A.010 to 725A.092 and 725A.990, and the Oregon Administrative Rules adopted thereunder, and in compliance with ORS 183.415(3), served by certified mail Administrative Order PD-13-0207, ORDER TO CEASE AND DESIST, ORDER SUSPENDING COLLECTION ACTIVITIES, PROPOSED ORDER ASSESSING CIVIL PENALTY AND NOTICE OF RIGHT TO AN ADMINISTRATIVE HEARING (“Notice Order”), to Archer Direct, LLC (hereinafter “Respondent” or “Archer”).

In accordance with OAR 137-003-0075, the Notice Order designated the file of the Division of Finance and Corporate Securities (“the Division”) in this matter, including all materials submitted by the Respondent, as the record for the purpose of making a prima facie case in the event that the Director entered a final order against the Respondent by default.

The time to request an administrative hearing stated in the Notice Order has now expired and Respondent did not timely request a hearing.

After a review of the record, the Director is persuaded that the record contains facts necessary to support the issuance of this Final Order by Default.

Division of Finance and Corporate Securities
Labor and Industries Building
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1 Now, therefore, the Director hereby issues the following Findings of Fact,
2 Conclusions of Law and Final Orders.

3 I. FINDINGS OF FACT

4 The Director FINDS that:

5 1. Archer Direct, LLC (hereinafter “Archer”) is believed to be a Delaware
6 limited liability company with a principal business address of 1521 Concord Pike #301,
7 Wilmington, Delaware 19803. Archer is not registered with the Oregon Secretary of
8 State’s office to conduct business in Oregon.

9 2. Archer is in the business of making short term loans to individuals primarily
10 for personal, family or household purposes for periods of less than 60 days. The loans are
11 not made as purchase money loans and are usually evidenced by a check or electronic
12 repayment agreement provided by or on behalf of the borrower. These loans are
13 commonly called “payday loans”.

14 3. Archer conducts its payday loan business via the Internet through the website
15 archerdirectservices.com and others.

16 4. At all times material to this matter, Archer was not licensed in Oregon with
17 the Director as a payday lender.

18 Oregon Resident MMC

19 5. At all times material to this matter, the individual identified hereinafter as
20 “MMC” was an Oregon resident.

21 6. On or about June 27, 2013, MMC negotiated a \$300 payday loan with Archer
22 via the Internet while MMC was physically present in Oregon. MMC intended the loan
23 primarily for personal, family or household purposes. The term of the loan was for less
24 than 31 days. The interest rate on the loan exceeded 36 percent per annum.

25 Oregon Resident DM

26 1. At all times material to this matter, the individual identified hereinafter as



1 “DM” was an Oregon resident.

2 2. In January 2013, DM negotiated a \$300 payday loan with Archer via the
3 Internet while DM was physically present in Oregon. DM intended the loan primarily for
4 personal, family or household purposes. The term of the loan was for less than 31 days.
5 The interest rate on the loan exceeded 36 percent per annum.

6
7 **II. CONCLUSIONS OF LAW**

8 The Director CONCLUDES that:

9 3. The short term consumer loans made by Archer to Oregon residents MMC
10 and DM are payday loans as defined in ORS 725A.010(5).

11 4. The payday loans that Archer made to Oregon residents MMC and DM are
12 subject to ORS chapter 725A because Archer offered to and made loans for personal,
13 family or household purposes of less than \$50,000 to consumers who resided in Oregon
14 and the terms of the loan were agreed to via the Internet while the consumers were
15 physically present in Oregon.

16 5. Archer violated ORS 725A.020 by conducting a business in which it made a
17 payday loan as defined by ORS 725A.010(5) to two Oregon residents without first
18 obtaining a license under ORS chapter 725A.

19 6. Archer violated ORS 725A.064(1) by making or renewing two payday loans
20 at a rate of interest exceeding 36 percent per annum, excluding a one-time origination fee
21 for a new loan.

22 7. Archer violated ORS 725A.064(3) by making or renewing two payday loans
23 for terms of less than 31 days.

24
25 **III. ORDERS**

26 Now, therefore, the Director issues the following ORDERS:



1 Order to Cease and Desist

2 8. Pursuant to the authority of ORS 725A.082, the Director hereby ORDERS
3 Archer, and all entities owned or controlled by Archer and their successors and assignees,
4 to CEASE AND DESIST from violating any provision of the Oregon statutes regulating
5 payday lending, ORS 725A.010 to 725A.092 and 725A.990, OAR 441-730-0000 through
6 441-730-0320, or any rule, order, or policy issued by the Division.

7 Order Suspending Collection Activities

8 9. Pursuant to the authority of ORS 725A.020, the Director ORDERS Archer,
9 and all entities owned or controlled by Archer and their successors and assignees, to
10 suspend all activities for the collection of principal, interest, or any fees or charges on
11 loans made to Oregon consumers unless within 90 days of the date of this Order Archer
12 obtains a license under ORS 725A.022 and 725A.024.

13 10. If Archer is approved by the Director to act as a payday lender in Oregon
14 pursuant to ORS 725A.022 and 725A.024, but more than 90 days from the date of this
15 Order, Archer may collect the principal, interest and fees allowed by ORS chapter 725A,
16 but only for loans made after the approval of Archer's license as a payday lender in
17 Oregon.

18 Order Assessing Civil Penalty

19 11. Pursuant to the authority of ORS 725A.990, the Director may assess against
20 any person who violates any provision of the Oregon statutes regulating payday lending,
21 ORS 725A.010 to 725A.092 and 725A.990, or any rule or final order of the Director
22 under that chapter, a civil penalty in an amount determined by the Director of not more
23 than \$2,500 per violation. Pursuant to this provision, the Director hereby assesses Archer
24 a CIVIL PENALTY in the amount of \$15,000 (fifteen thousand dollars) for the following
25 violations:

26 A. A CIVIL PENALTY of \$5,000 (five thousand dollars) for two violations of



1 ORS 725A.020 by conducting a business in which Archer made a payday loan as
2 defined by ORS 725A.010(5) to an Oregon resident without first obtaining a license
3 under ORS chapter 725A.

4 B. A CIVIL PENALTY of \$5,000 (five thousand dollars) for two violations of
5 ORS 725A.064(1) by making or renewing a payday loan at a rate of interest that exceeds
6 36 percent per annum, excluding a one-time origination fee for a new loan.

7 C. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS
8 725A.064(3) by making or renewing a payday loan for terms of less than 31 days.

9
10 **IV. AUTHORITY OF THE DIRECTOR TO SEEK
OTHER REMEDIES UNDER OREGON LAW**

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

14 IT IS SO ORDERED.

15 Dated this 3rd day of December, 2013.

16 PATRICK M. ALLEN, Director
17 Department of Consumer and Business Services

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

21 **NOTICE OF RIGHT TO APPEAL**

22 You are entitled to seek judicial review of this order in accordance with ORS
23 183.482. You may request judicial review by filing a petition with the Oregon Court of
Appeals in Salem, Oregon within 60 days from the date of this order.

24 *[The rest of this section intentionally left blank.]*
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