

ORDER SUMMARY
Consumer Services Division Case Number C-22-3472

Consent Orders resolve investigations. In these, companies and individuals work with us to agree to terms that resolve the issues in the investigation.

Name	Educational Computer Systems, Inc., NMLS # 1489841
Order Number	C-22-3472-23-CO01
Date issued	March 31, 2023

What does this Consent Order require?

- Respondent must pay a fine of \$10,000.
- Respondent must pay an investigation fee of \$1,207.67 (Investigation fees cover the cost of DFI staff time working on the investigation).
- Respondent will cease and desist from conducting any consumer loan business from any unlicensed location.
- Respondent understands it must obtain a license from DFI for all locations performing servicing activities for student education loans made to Washington residents.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or cseforcecomplaints@dfi.wa.gov. *Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.*

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

No.: C-22-3472-23-CO01

CONSENT ORDER

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Educational Computer Systems, Inc.,
NMLS #1489841,

Respondent.

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COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Lucinda Fazio, Director, Division of Consumer Services, and Educational Computer
Systems, Inc. (Respondent), and finding that the issues raised in the above-captioned matter may be
economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is
entered pursuant to Revised Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and
RCW 34.05.060 of the Administrative Procedure Act, based on the following:

FINDINGS OF FACT

1.1 On or about May 6, 2019, Respondent obtained a license from the Department of Financial
Institutions of the State of Washington (Department) to conduct the business of a consumer loan
company from its main office at 100 Global View Drive, Suite 800 in Warrendale, Pennsylvania.¹

1.2 From on or about June 13, 2022, through June 16, 2022, the Department conducted an off-site
examination of Respondent's books and records. The Department's examiners noted violations of
the Act that included servicing activities for student education loans made to Washington residents
from two unlicensed branch locations.

¹ On or about March 7, 2022, Respondent changed its main office address to 1200 Cherrington Parkway, Suite 200 in
Moon Township, Pennsylvania.

1 **1.3** From on or about September 17, 2015, through September 20, 2022, Respondent performed
2 servicing activities for student education loans made to Washington residents from an unlicensed
3 branch location at 3330 Healy Drive, Suite 105 in Winston Salem, North Carolina.²

4 **1.4** From around March 2022 through October 2022, Respondent performed servicing activities
5 for student education loans made to Washington residents from an unlicensed branch location at
6 Vertis North Corporate Center Tower 3, No. 50 North Avenue corner Mindanao Avenue in Quezon,
7 Manila, Philippines.

8 **CONCLUSIONS OF LAW**

9 **2.1** Based on the above Findings of Fact, Respondent violated RCW 31.04.035 by engaging in the
10 business of a consumer loan company in the state of Washington without first obtaining and
11 maintaining a branch license in accordance with the Act.

12 **AGREEMENT AND ORDER**

13 The Department and Respondent have agreed upon a basis for resolution of the Findings of
14 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
15 RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further
16 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
17 Consent Order. Respondent hereby admits the Findings of Fact and Conclusions of Law identified in
18 this Consent Order.

19 Based upon the foregoing:

20 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the
21 activities discussed herein.

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24 ² On or about September 21, 2022, the Department approved Respondent's branch license application for 3330 Healy
Drive, Suite 105 in Winston Salem, North Carolina.

1 **B. Waiver of Hearing.** It is AGREED that Respondent hereby waives any right it has to a hearing
2 and any and all administrative and judicial review of the issues raised in this matter or the resolution
3 reached herein.

4 **C. Cease and Desist.** It is AGREED that Respondent shall cease and desist from conducting
5 any business requiring licensure under the Act from any unlicensed location.

6 **D. Consumer Loan Branch License Required.** It is AGREED that Respondent understands
7 that in order to perform servicing activities for student education loans made to Washington residents,
8 it must obtain a license for all locations performing such services.

9 **E. Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of
10 \$10,000.

11 **F. Investigation Fee.** It is AGREED that Respondent shall pay an investigation fee to the
12 Department in the amount of \$1,207.67. It is FURTHER AGREED that the Fine and Investigation
13 Fee shall be paid together in one \$11,207.67 cashier's check made payable to the "Washington State
14 Treasurer" upon delivery of this Consent Order to the Department.

15 **G. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to
16 abide by the terms and conditions of this Consent Order may result in further legal action by the
17 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
18 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

19 **H. Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this
20 Consent Order, which is effective when signed by the Director's designee.

21 **I. Completely Read, Understood, and Agreed.** It is AGREED that Respondent's
22 representative has read this Consent Order in its entirety and fully understands and agrees to all of the
23 same.

1 **J. Authority to Execute Order.** It is AGREED that the undersigned authorized representative
2 has represented and warranted that he has the full power and right to execute this Consent Order on
3 behalf of Respondent.

4 **K. Counterparts.** This Consent Order may be executed by the Respondent in any number of
5 counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed
6 to be an original, but all of which, taken together, shall constitute one and the same Consent Order.

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1 **RESPONDENT:**
Educational Computer Systems, Inc.
2 By:

3 [Redacted Signature]
4 Terry D. Roberts
President

March 27, 2023
Date

6 DO NOT WRITE BELOW THIS LINE

7 THIS ORDER ENTERED THIS 31st DAY OF March, 2023.



9 [Redacted Signature]
10 LUCINDA FAZIO, Director
11 Division of Consumer Services
12 Department of Financial Institutions

13 Presented by:

14 [Redacted Signature]
15 RACHELLE VILLALOBOS
16 Financial Legal Examiner

16 Approved by:

17 [Redacted Signature]
18 JACK McCLELLAN
19 Enforcement Chief