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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

PA DEPT OF BANKING

COMMONWEALTH OF PENNSYLVANIA,  
DEPARTMENT OF BANKING, BUREAU  
OF COMPLIANCE, INVESTIGATION  
AND LICENSING,

v.

J & J MULTI SERVICES

: DOCKET No. 100141 (ENF-CO)  
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**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking ("Department"), Bureau of Compliance, Investigation and Licensing ("Bureau") has conducted an investigation into the business practices of J & J Multi Services ("JJMS"), and its officers, employees and directors. Based on the results of the investigation, the Bureau believes that JJMS operated in violation of the Check Casher Licensing Act ("CCLA"), 63 P.S. § 2301 et seq. The parties to the above captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order ("Order").

**BACKGROUND**

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the CCLA.
2. The Bureau is primarily responsible for administering and enforcing the CCLA for the Department.
3. JJMS is licensed as a Check Casher, license no. 30436 under the CCLA. The check casher license for JJMS was issued on January 27, 2010.
4. JJMS maintains a Principal Place of Business in Pennsylvania at 2201 N. 5<sup>th</sup> Street, Philadelphia, PA ("Principal Place").
5. On March 31, 2010, investigators from the Department began an investigation ("Investigation") of JJMS for unlicensed check casher activity at the Principal Place.

### UNLICENSED ACTIVITY

6. The investigation revealed that JJMS had been cashing checks for a fee at the Principal Place when it was not licensed to do so.
7. Section 301(a) of the CCLA provides that "[n]o person or business entity shall engage in the business of cashing checks for a fee without first obtaining a license under this act for each fixed location or mobile unit." 63 P.S. § 2311(a)

### FAILURE TO PROPERLY ENDORSE CHECKS CASHED FOR A FEE

8. The investigation revealed that JJMS failed to endorse checks that were cashed for a fee with the actual name under which it is doing business and with the words "licensed check casher" legibly written or stamped immediately after or below such name.
9. Section 504 of the CCLA provides that "[b]efore a check casher deposits a check with any banking institution, the check shall be endorsed with the actual name under which the check casher is doing business and shall have the words "licensed check casher" legibly written or stamped immediately after or below such name." 63 P.S. §2324.

### NOT MAINTAINING BOOKS, ACCOUNTS AND RECORDS

10. The investigation revealed that JJMS was not maintaining books, accounts and records that would enable the Department to determine whether JJMS is complying with the provisions of the CCLA.
11. Section 506(a) of the CCLA provides that "[e]ach check casher shall maintain and use such books, accounts and records as will enable the department to determine whether the check casher is complying with the provisions of this act and the rules and regulations adopted under this act. A check casher shall maintain records in a form prescribed by the department and shall preserve such books, accounts and records for five years." 63 P.S. § 2326(a).
12. The investigation also revealed that JJMS was not maintaining copies of receipts provided to customers for each check cashing transaction completed at the Principal Place.
13. Section 81.41(1) of the Check Casher Licensing Statement of Policy ("CCLSOP") provides that "[t]he check casher should maintain a copy of the receipts provided to consumers for each check cashing transaction. The receipts should indicate the name and address of the check casher, transaction date, customer's name, address and type of identification used, item

number, date and amount of check cashed, fee charged and the employee's initials. In lieu of placing the customer's name, address and type of identification on the receipt, the check casher may assign an identification number to the customer, if a log is maintained by the check casher at the examination site." 10 Pa Code § 81.41(1)

14. The Investigation also revealed that JJMS failed to maintain a daily check cashing log.
15. Section 81.41(2) of the CCLSOP provides that "[t]he check casher should maintain a daily record of all checks cashed which should be reconciled to the deposit records received from each depository institution used by the check casher." 10 Pa. Code § 81.41(2)

#### **AUTHORITY OF THE DEPARTMENT**

16. Section 104(1) of the CCLA states "The department shall have the authority to: Issue rules, regulations and orders as may be necessary for the administration and enforcement of this act." 63 P.S. § 2301.
17. Section 507 of the CCLA provides that "[a]ny person who is subject to the provisions of this act who violates any provisions of this act shall be subject to a civil penalty levied by the department of up to \$2,000 for each violation. The civil penalty shall specifically apply to licensed and unlicensed activity under this act. The department may also recover the cost of investigating alleged violations." 63 P.S. § 2327.

#### **VIOLATIONS**

18. JJMS is in violation of Section 301(a) of the CCLA for cashing checks for a fee when not licensed to do so.
19. JJMS is in violation of Section 504 of the CCLA by failing to endorse checks that were cashed for a fee with the actual name under which it is doing business and with the words "licensed check casher" legibly written or stamped immediately after or below such name.
20. JJMS is in violation of Section 506(a) of the CCLA by not properly maintaining books, accounts and records.

## RELIEF

21. Fine. Within thirty (30) days of the Effective Date of this Order, JJMS shall pay to the Department a fine of \$2,000. The fine payment shall be remitted by certified check or money order made payable to the Department of Banking.
22. Corrective Action.
- a. Recordkeeping. Within thirty (30) days of the Effective Date of this Order, JJMS shall maintain and use books, accounts and records that will enable the Department to determine if JJMS is in compliance with the CCLA.
  - b. Receipts. Within thirty (30) days of the Effective Date of this Order, JJMS shall maintain copies of all receipts provided to consumers for each check cashing transaction completed and maintain those receipts pursuant to Section 81.41 of the CCLSOP.
  - c. Check Endorsement. Within thirty (30) days of the Effective Date of this Order, JJMS shall obtain a check endorsement stamp compliant with Section 504 of the CCLA.
  - d. BSA/AML. Within thirty days (30) of the Effective Date of this Order, JJMS shall be compliant with all applicable Bank Secrecy Act/Anti-Money Laundering ("BSA/AML") laws and regulations, including but not limited to:
    - i. Establishing in writing and maintaining company policies and procedures on BSA/AML internal controls;
    - ii. Establishing a knowledgeable compliance officer to administer an effective BSA/AML program;
    - iii. Implementing a written program to train appropriate personnel in BSA/AML compliance; and
    - iv. contracting for an independent review of its BSA/AML program by a person qualified to conduct such a review.

## FURTHER PROVISIONS

23. Consent. JJMS hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the CCLA and agrees that it understand all of the terms and conditions contained herein. JJMS, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.
24. Publication and Release. JJMS consents to the publication and release of this Order.

25. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Bureau and JJMS.
26. Binding Nature. The Bureau, JJMS, and all officers, owners, directors, employees, heirs and assigns of JJMS intend to be and are legally bound by the terms of this Order.
27. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.
28. Effectiveness. JJMS hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").
29. Other Enforcement Action.
- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against JJMS in the future regarding all matters not resolved by this Order.
  - b. JJMS acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.
30. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.
31. Counterparts. This Order may be executed in separate counterparts and by facsimile.
32. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Bureau and JJMS intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING, BUREAU OF  
COMPLIANCE, INVESTIGATION AND LICENSING**

Ryan M. Walsh, Administrator  
Bureau of Compliance, Investigation  
And Licensing  
Department of Banking

Date: \_\_\_\_\_

6/8/10

**FOR J & J MULTI SERVICES**

\_\_\_\_\_  
(Officer Signature)

\_\_\_\_\_  
(Print Officer Name)

owner  
\_\_\_\_\_  
(Title)

6/8/10  
\_\_\_\_\_  
(Date)