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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES PA DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :

V. :

DOCKET No. 15 0002 (ENF-CO)

U.S. EQUITY ADVANTAGE HOLDINGS, :  
INC. :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Compliance Office, evaluated certain business practices of U.S. Equity Advantage Holdings, Inc. ("USEA Holdings") and its officers, employees and directors. Based on the results of its evaluation, it is the Bureau's position that USEA Holdings violated the act known as the Money Transmitter Act ("MTA"), 7 P.S. § 6101 *et seq.* ("MTA"). USEA Holdings, agrees to enter into this Consent Agreement and Order ("Order") without admitting to any wrongdoing. The parties seek to resolve this matter amicably to save the time and resources that ongoing litigation would require and, to this end, 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 agrees to the terms of this Order.

**BACKGROUND**

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the MTA,
2. The Compliance Office is primarily responsible for administering and enforcing the MTA for the Department.

3. USEA Holdings is a corporation that engages in the business of money transmission by, *inter alia*, facilitating the transfer of money from consumers to their creditor(s) according to a payment schedule determined entirely by the consumer.
4. USEA Holdings charges its customers a fee for this service.
5. USEA Holdings is incorporated in Florida with its principal place of business located at 800 North Magnolia Avenue, #1275, Orlando, Florida 32803.
6. USEA Holdings is not, and has never been, licensed as a money transmitter by the Department.
7. USEA Equity Advantage, Inc. ("USEA Inc.") is a Florida corporation and wholly-owned subsidiary of USEA Holdings.
8. USEA Inc. also has a business address of 800 North Magnolia Avenue, #1275, Orlando, Florida 32803.

#### VIOLATION

9. Section 2 of the MTA provides that:  

No person shall engage in the business of transmitting money by means of a transmittal instrument for a fee or other consideration without first having obtained a license from the Department of Banking nor shall any person engage in such business as an agent except as an agent of a person licensed or exempted under this act. 7 P.S. § 6102.
10. A person includes an "individual or organization..." 7 P.S. § 6101.
11. A transmittal instrument is "any check, draft, money order, personal money order or method for the payment of money or transmittal of credit. . ." 7 P.S. § 6101 (emphasis added).
12. USEA Holdings does not meet any of the exemptions to licensure contained in the MTA. See 7 P.S. §§ 6103, 6104.

13. It is the Office's position that USEA Holdings engaged in the business of transmitting money by means of a transmittal instrument for a fee when it, *inter alia*, facilitated the transfer of money from consumers to their creditor(s) according to a payment schedule determined entirely by the consumer from January of 2008 through November, 2014, in violation of the MTA.

14. The Department may fine persons that violate the provisions of the MTA an amount of "up to two thousand dollars for each offense." 7 P.S. § 6116.

15. USEA Holdings has been cooperative with the Office by providing information and documents in a reasonable manner.

16. USEA Inc. submitted a completed application for a money transmitter license to the Department on November 3, 2014.

#### **RELIEF**

17. Fine. USEA Holdings shall pay the Department a fine in the amount of \$71,000 in four equal installments with the first payment due within 30 days of the effective date of this Order, as defined in Paragraph 25 below. Each subsequent payment shall be due three months after the previous payment until the fine is paid in full. Payment shall be made by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered, in person, to the Compliance Office located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

18. License. Upon the effective date of this Order, USEA Inc.'s money transmitter license application will be approved by the Licensing Office. Should USEA Holdings, and its subsidiaries and affiliates, fail to comply with any of the terms set forth in the Order, the Department reserves the right to take enforcement action against USEA Holdings or its affiliates

and subsidiaries, including suspension, revocation or refusal to renew a money transmitter license.

19. Corrective Action. USEA Holdings, its affiliates or subsidiaries, shall not engage in the business set forth in this Order without maintaining a money transmitter license. Finally, USEA Holdings must notify the Department's Licensing Office immediately, or cause USEA Inc. to do so, should USEA Inc. make any changes to its business plan. Further, USEA Holdings, or USEA Inc. shall provide the Licensing Office with the new business plan and any information that it may request regarding those change(s).

#### FURTHER PROVISIONS

20. Consent. USEA Holdings hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MTA and agrees that it understands all of the terms and conditions contained herein. USEA Holdings, 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.

21. Publication. The Department will publish this Order pursuant to its authority in Section 302.A(5) of the Department of Banking Code. 71 P.S. § 733-302.A(5).

22. Entire Agreement. This Order contains the entire agreement between the Department and USEA Holdings. 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 Department and USEA Holdings.

23. Binding Nature. The Department, USEA Holdings, and all affiliates, subsidiaries, officers, owners, directors, employees, heirs and assigns of USEA Holdings, intend to be and are legally bound by the terms of this Order.

24. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

25. Effectiveness. USEA Holdings hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order.

26. 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 USEA Holdings, its affiliates and subsidiaries, in the future regarding all matters not resolved by this Order.

b. USEA Holdings 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.

27. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

28. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

29. 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 Department of Banking and Securities' Compliance Office, and USEA Holdings, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES  
COMPLIANCE OFFICE**

Redacted

\_\_\_\_\_  
Ryan M. Walsh  
Chief, Compliance Office

Date: January 22, 2015

**FOR U.S. EQUITY ADVANTAGE HOLDINGS, INC.**

Redacted

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(Officer Signature)

ROBERT M. STEINBERG  
(Print Officer Name)

CEO  
(Title)

Date: ~~1-22-2015~~ 1-22-2015

