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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. 16 0039 (BNK-CAO)

UNIVERSAL CHECK CASHING INC. :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Non-depository Examinations, has conducted an examination of the business practices of Universal Check Cashing Inc. ("Universal") and its officers, employees and directors. Based on the results of the Examination, the Compliance Office (the "Office") concludes that Universal operated in violation of the Check Casher Licensing Act, 63 P.S. § 2301 *et seq.* ("CCLA"). 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 Office is primarily responsible for administering and enforcing the CCLA for the Department.
3. Universal is located at 1300 E. Cheltenham Avenue, Philadelphia, PA 19124.

4. The Department licenses Universal as a check casher, license number 36068, NMLS No. 1061685.
5. On November 20, 2012 the Department conducted an examination of Universal ("The 2012 Examination").
6. The 2012 Examination revealed that Universal was charging excess fees to consumers to cash checks and that Universal was failing to properly endorse checks.
7. The Department issued a notice of non-compliance to Universal on November 26, 2012.
8. Universal responded in writing that all issues would be corrected going forward.
9. On February 11, 2016 the Department conducted an examination of Universal ("The 2016 Examination")

Check Cashing Fee Overcharge

10. The 2016 Examination revealed that Universal continued to charge consumers check cashing fees in excess of the allowable amounts designated in the CCLA.
11. Section 503 of the CCLA states a licensee or any person subject to any provision of this act may collect the following fees for cashing a check:
 - a. A sum not exceeding 2.5% of the face amount of a government assistance check, provided the payee submits valid identification in the form of a driver's license, an identification card issued by the Department of Transportation or the equivalent; or
 - b. A sum not exceeding 3% of the face amount of a payroll check.
 - c. A sum not exceeding 10% of the face amount of a personal check.

63 P.S. § 2503

Required Check Endorsement Language

12. The 2016 Examination revealed that Universal failed to have the required check endorsement language on each cashed check being deposited with any banking institution.

13. Section 504 of the CCLA states "Before 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. § 2504

AUTHORITY OF THE DEPARTMENT

14. Section 104(1) of the CCLA states that the Department is authorized to issue orders that may be necessary for the administration and enforcement of the act. *See* 63 P.S. § 2304(1).

15. Section 501 (b) of the CCLA states "Noncompliance notice.--The department shall provide to a licensee notice of noncompliance with or a violation of this act. The department shall permit the licensee a reasonable time to comply with this act or to correct the violation. *If the licensee fails to comply or correct the violation, the department may order that civil penalties be levied against a licensee.*" *See* 63 P.S. § 2501(b)

16. The CCLA provides any person violating the Act "shall be subject to a civil penalty levied by the department of up to \$2,000 for each violation." *See* 63 P.S. § 2327.

RELIEF

17. Fine. Universal agrees to pay a fine of two thousand dollars (\$2,000) which shall be due within thirty (30) days of the Effective Date of this Order as defined in paragraph 23 below. The fine payment shall be remitted by certified check or money order made payable to

the "Department of Banking and Securities" and sent to the attention of: Department of Banking and Securities, Compliance Office, 17 N. 2nd Street, Suite 1300, Harrisburg, Pennsylvania 17101.

18. Corrective Action. Upon the Effective Date of this Order, Universal shall:
- a. Not prohibit nor delay the examination of any check, document, account, book, record or file relating to the check casher business or operation during regular business hours at the principal office or to make such other investigation as may be reasonably necessary to administer and enforce this act.
 - b. Maintain records as required under this act or as prescribed by the department 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.
 - c. Post a notice of exact fees and charges, which shall be within the maximum prescribed in the act. The notice should be in plain view and in a location readily apparent to the consumer transacting business at the check casher location. 10 Pa. Code §81.51.
 - d. Conspicuously display a copy of their current company license and/or NMLS Consumer Access Page at their principal place of business.
 - e. Maintain current company information in NMLS.
 - f. Maintain a current AML Program which has an independent review conducted by an individual other than an employee/officer of Universal.

FURTHER PROVISIONS

19. Consent. Universal hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Bureau's order authority under the Check Casher Licensing Act and agree that both parties understand all of the terms and conditions

contained herein. Universal, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in the Order.

20. Publication and Release. The Department will publish this Order pursuant to its authority in section 302.A(5) of the Department of Banking and Securities Code.

21. 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 Universal.

22. Binding Nature. The Department, Universal, and all officers, owners, directors, employees, heirs and assigns of Universal intend to be and are legally bound by the terms of this Order.

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

24. Effectiveness. Universal hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

25. 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 Universal in the future regarding all matters not resolved by this Order.
- b. Universal acknowledge and agree 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.

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

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

28. 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.

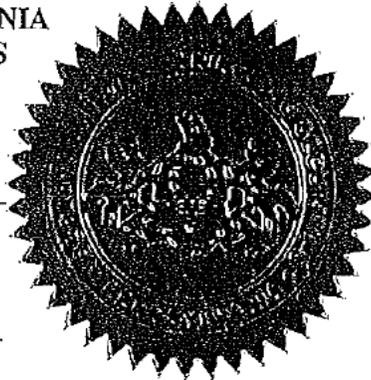
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department and Universal intending to be legally bound do hereby execute this Consent Agreement and Order.

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

Redacted

Ryan Walsh, Director, Compliance Office
Department of Banking and Securities

Date: July 5, 2016



FOR UNIVERSAL CHECK CASHING, INC.

Redacted

(Officer/Signature)

Aleksey Danishevsky

(Print Officer Name)

Owner

(Title)

Date: 07/05/2016