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2012 APR 13 PM 1:03

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

PA DEPT OF BANKING

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

v.

CASH CURE, LLC

Docket No.: 12 0044 (ENF-CO)

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania acting through the Department of Banking ("Department") Bureau of Compliance and Licensing ("Bureau") enters into this Consent Agreement and Order ("Order") with Cash Cure, LLC ("the Company") to resolve all issues regarding compliance with the requirements of the Consumer Discount Company Act ("CDCA"), 7 P.S. §§ 6201- 6219, and the Act of January 30, 1974, P.L. 13, No. 6 known as the Loan Interest Protection Law ("LIPL"), 41 P.S. §§ 101-605. Specifically, this Order addresses legal limitations on the business of soliciting, advertising, negotiating and making short-term loans for Pennsylvania residents in amounts less than \$25,000 in which the interest charged on the loans exceeded 6% per annum. The parties to the above-captioned matter, in lieu of litigation, and without admitting wrongdoing, 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 CDCA and LIPL.

2. The Bureau is primarily responsible for administering and enforcing the CDCA and LIPL.

3. The Company is a limited liability company organized in Delaware with its principle place of business located at 901 North Market Street, Suite 700, Wilmington, Delaware 19801-3098.

4. The Company offers and makes short-term loans of less than \$25,000 to consumers through its website at www.cashcure.com.

5. Commencing February 1, 2009, the Department required persons that engage in the business of negotiating and making loans of \$25,000 or less to Pennsylvania residents where the interest and other charges on the loans exceed 6% per annum to obtain a consumer discount company license from the Department. *See Cash America Net of Nevada, LLC v. Department of Banking*, 978 A.2d 1028 (Pa. Cmwlth. July 10, 2009), *affirmed by* 8 A.3d 282 (Pa. 2010); *see also* 38 Pa.B. 3986 (2008).

6. The Company is not licensed by the Department as a consumer discount company and has never been licensed by the Department.

7. In the past six months, two Pennsylvania residents filed complaints with the Department regarding loans they had obtained from the Company.

8. On or about March 19, 2012, the Bureau issued an Order against the Company which is replaced by this Consent Agreement and Order.

9. The Company demonstrated good faith when, upon receipt of the March Order, it immediately ceased making short-term loans to Pennsylvania residents and that it changed its website so that Pennsylvania residents cannot apply for a short-term loan.

10. The Company demonstrated good faith when, upon receiving a complaint directly from one of the Pennsylvania residents, the Company agreed to credit all payments to the principle borrowed and to waive all interest on the short-term loan.

11. Given the Company's cooperation and good faith actions, and to save the parties considerable time and resources in litigation, the Bureau has agreed to withdraw the March Order and enter into this Order to resolve the issues related to compliance with the CDCA and the LIPL.

RELIEF

12. Fine. The Company shall pay the Department a fine in the amount of \$10,000 within 30 days of the Effective Date of this Order as defined in paragraph 20 below. The payment shall be made by certified check or money order made payable to the "Pennsylvania Department of Banking" and mailed or delivered to the Compliance Division, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

13. Corrective Action.

(a) Consumer Credits. To the extent that Pennsylvania residents are currently paying back loans of \$25,000 or less obtained from the Company from July 10, 2009¹

¹ The Department agreed to require the Company to credit consumers excess interest commencing July 10, 2009, however, by selecting that date the Department in no way waives its authority to require persons, other than the Company, that engage or have engaged in unlicensed activity in Pennsylvania to credit or refund consumers all monies paid for short-term loans from February 1, 2009 forward.

(date the Pennsylvania Commonwealth Court ruled on short-term loans in *Cash America Net of Nevada, LLC v. Department of Banking*, 978 A.2d 1028 (Pa. Cmwlth. July 10, 2009) forward, the Company shall credit all monies paid to the principal borrowed, plus interest (which includes any and all other fees) calculated in an amount not to exceed 6% per annum.

(b) Cease and Desist Unlicensed Activity. From the Effective Date of this Order as defined in paragraph 20 below, the Company shall do all of the following:

(i) Cease and desist from advertising, soliciting, arranging, negotiating and making loans of \$25,000 or less to Pennsylvania residents in which the interest and other charges in the aggregate exceeds 6% per annum unless licensed by the Department as a consumer discount company; and

(ii) Cease and desist from allowing Pennsylvania residents to apply for a short-term loan online, through a website, or by any other means, by eliminating Pennsylvania as a choice in any drop down box and by specifically stating on any and all websites owned or operated by the Company the following language: "Loans are not available to Pennsylvania residents."

(iii) Cease and desist from attempting to collect or collecting, directly or indirectly through third parties such as collection agencies, interest or other consideration that exceeds 6% per annum for loans of \$25,000 or less made to Pennsylvania residents from February 1, 2009 forward; and

(iv) Cease and desist from transferring, assigning or selling to any persons, companies or entities of any kind whatsoever any loans that it has made to Pennsylvania residents of \$25,000 or less in which it has charged interest in excess of 6% per annum nor shall it purchase any loans that meet these parameters from February 1, 2009 forward; and

(v) Cease and desist from, directly or indirectly through third persons, filing a negative report with any credit reporting agency regarding any Pennsylvania resident to which it has provided a loan of \$25,000 or less from February 1, 2009 forward, for which it has charged interest in excess of 6% per annum.

(c) The Company shall provide corrective action described in paragraphs 13(a) and 13(b)(iii-v) to all Pennsylvania consumers that file complaints with the Department within the applicable statute of limitation upon written notice by the Department of the filing of such a complaint.

(d) Department Remedies. Should the Department ascertain that the Company either (i) continued to offer loans of \$25,000 or less to Pennsylvania residents and charge interest in excess of 6% after the effective date of this Order, or (ii) failed to undertake or comply with any of its obligations set forth in this Order, or (iii) failed to pay the fine as set forth in Paragraph 12, the Bureau expressly reserves the right to seek enforcement in the Commonwealth Court or otherwise as provided by law.

FURTHER PROVISIONS

14. Consent. The Company hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order, and agrees that it understands all of the terms and conditions contained herein. The Company, by voluntarily entering into this Order, waives any right to hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

15. Publication and Release. 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).

16. Consumer Rights. This Order shall not limit or impair the consumers' rights under the LIPL. See 41 P.S. §§ 501-507.

17. 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 parties.

18. Binding Nature. The Department and the Company intend to be and are legally bound by the terms of this Order. This Order shall be enforceable in a court of competent jurisdiction by the Department and the Company. This Order shall be admissible in court if relevant to the proceedings. This Order shall be binding upon and inure to the benefit of any of the Company, present and future owners, principals, directors, officers, members, partners, managers, agents, successors and assigns.

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

20. Effectiveness. The Company stipulates and agrees that this Order shall become effective on the date that the Bureau executes the Order (“Effective Date”).

21. 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 the Company in the future regarding all matters not resolved by this Order.

(b) The Company 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.

(c) Except as otherwise provided in Paragraph 13(c) of this Order, once the Company has fully complied with all of its obligations under this Order, the Department agrees that it will not bring an enforcement action of any kind against the Company or against any of its present or future members, principals, officers, managers, agents, employees, successors, or assigns for any conduct arising out of or related to the Company’s lending activities with Pennsylvania consumers prior to the Effective Date of this Order related to the investigation by the Department that resulted in the March Order or which is otherwise covered by this Order.

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

23. Counterparts. This Order may be executed in separate counterparts and by facsimile or email.

24. 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 Commonwealth of Pennsylvania, Department of Banking, Bureau of Compliance and Licensing and Cash Cure, LLC do hereby execute this Consent Agreement and Order.

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

By: _____
Ryan Walsh
Chief of Compliance

Dated: April 13, 2012

FOR CASH CURE, LLC:

By: _____

Title: President

Dated: 4/12/12