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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. 160025 (BNK-ORD)

ART'S MONEY LOAN, INC.

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Department of Banking and Securities ("Department"), Compliance Office, reviewed the business practices of Art's Money Loan, Inc. ("Art's Money Loan"). It is the Department's position that Art's Money Loan violated the Pawnbrokers License Act, 63 P.S. § 281-1 *et. seq.* ("PLA"). Art's Money Loan disagrees with the Department's position. The Department issued a Revocation Order on May 19, 2016. This Consent Agreement and Order ("Order") replaces the May 19, 2016 Revocation Order. 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 agree to the terms of this Order.

**AUTHORITY**

1. The Department is the Pennsylvania state administrative agency authorized and empowered to administer and enforce the PLA.
2. The Department's Compliance Office is charged with the responsibility of administering and enforcing the PLA and the Department of Banking and Securities Code ("Code") for the Department.

3. Section 202.D of the Code authorizes the Department to issue orders as necessary and appropriate to administer any statute within the Department's jurisdiction. 71 P.S. § 733-202.D.

4. The Department may revoke any pawnbroker license, upon 30 days written notice, if, *inter alia*, the licensee violates any provision of the PLA, violates any rule or regulation made within the authority of the PLA, fails to pay the cost of examination, or if any fact or condition exists, which if had existed at the time of original application, would have warranted refusal to issue a license. 63 P.S. § 281-8.

5. When a pawnbroker license is revoked, the Department shall not issue another license to the said pawnbroker until the expiration of at least one year from the date of revocation, and not at all if such pawnbroker shall have been convicted for a deliberate violation of this act or for a second offense. 63 P.S. § 281-8(b).

6. The PLA requires that any person, partnership, association, business corporation, non-profit corporation, common law trust, joint-stock company or any group of individuals however organized is required to be licensed if engaged in the business as a pawnbroker. 63 P.S. § 281-3.

7. A pawnbroker license may not be transferred or assigned. 63 P.S. § 281-7.

#### **BACKGROUND**

8. The Compliance Office is located at 17 N. 2<sup>nd</sup> Street, Suite 1300, Harrisburg, Pennsylvania 17101.

9. Art's Money Loan's address is 4723 Frankford Avenue, Philadelphia, Pennsylvania 19124.

10. Art's Money Loan has been a licensed pawnbroker in Pennsylvania since 1985, license no. 0003 (effective 2/20/1985 – 10/1/2012) and license no. 39334 (effective 11/15/2012 – current).

11. Phyllis Dansky is the owner, president and primary contact person for Art's Money Loan.
12. On September 15, 2015, the Department's Bureau of Non-Depository Examinations ("Bureau") conducted a routine exam at 4723 Frankford Avenue, Philadelphia, Pennsylvania 19124.
13. When the examiner arrived, he concluded that Golden Cousins Inc. ("Golden Cousins"), not Art's Money Loan, was doing business at 4723 Frankford Avenue.
14. Art's Money Loan disputes the examiner's conclusion.
15. German Shefer is the owner and president of Golden Cousins.
16. Golden Cousins corporate address is listed as 2614 Germantown Avenue, Philadelphia, Pennsylvania 19133.
17. Golden Cousins was formed in August of 2010.
18. Neither Golden Cousins nor Mr. Shefer is licensed, nor has ever been licensed as a pawnbroker under the PLA.
19. Robin Appiott and Mr. Shefer are/or have been listed as manager and assistant manager under Art's Money Loan pawnbroking license.
20. Mr. Shefer verbally informed the examiner that he was not a W-2 employee of Art's Money Loan.
21. The examiner and the Compliance Office both requested a management agreement and/or proof that Mr. Shefer and Ms. Appiott were employees of Art's Money Loan.
22. Art's Money Loan has informed the Department in writing that Ms. Appiott and Mr. Shefer performed pawnbrokering and management services, for Art's Money Loan as independent contractors pursuant to verbal agreements.

23. At the time of the examination, the pawn tickets issued for items pawned at 4723 Frankford Avenue did not list the name of the creditor that made the pawn loan; the tickets only list the address as 4723 Frankford Avenue and the phone number (215) 535-4723, which is a phone number for Art's Money Loan.

24. Art's Money Loan informed the Department that after the examination, new pawn tickets were printed to include the name of Art's Money Loan.

25. Art's Money Loan informed the Department that it has ceased making new pawn loans as of the end of September of 2015, and shall not make pawn loans henceforth.

26. The Department alleges that Art's Money Loan assigned its license to Golden Cousins to conduct pawnbrokering activities in violation of the PLA. 63 P.S. § 281-7.

27. Art's Money Loan disagrees with the Compliance Office's allegations, but enters into this Order, without admitting to any wrongdoing, to save the time and resources that ongoing litigation would require.

#### **RELIEF**

28. Upon the effective date as provided below, this Order will replace the May 19, 2016 Revocation Order; and the Department shall take all steps necessary to remove all records from the Department's website of said previous Revocation Order.

29. Upon the effective date of this Order, Art's Money Loan will voluntarily surrender its license and neither Art's Money Loan nor Phyllis Dansky or any other officer, director or owner shall apply for a pawnbroker license in Pennsylvania in the future.

#### **FURTHER PROVISIONS**

30. Consent. Art's Money Loan hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Compliance Office's order authority made under the

PLA and agrees that it understands all of the terms and conditions contained herein. Art's Money Loan, 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.

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

32. Entire Agreement. This Order contains the entire agreement between the department and Art's Money Loan. 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 Art's Money Loan.

33. Binding Nature. The Department, Art's Money Loan, and all affiliates, subsidiaries, officers, owners, directors, employees, heirs and assigns of Art's Money Loan, intend to be and are legally bound by the terms of this Order.

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

35. Effectiveness. Art's Money Loan hereby stipulates and agrees that the Order shall become effective on the date that the Compliance Office executes the Order.

36. 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 Art's Money Loan, its affiliates and subsidiaries, in the future regarding all matters not resolved by this Order.

b. Art's Money Loan 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.

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

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

39. 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, Art's Money Loan, Inc. and Phyllis Dansky 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**

**FOR ART'S MONEY LOAN, INC.**

Redacted

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James Keiser  
Administrator, Compliance Office

Phyllis Dansky  
President

Date: July 18, 2016

Date: July 15, 2016

