

3. ACE's principal place of business is at 1231 Greenway Drive, Suite 600, Irving, TX 75038 and is licensed as Check Cashier #1249 under the CCLA with NMLS ID #13685.

4. ACE maintains 39 additional locations licensed as Check Cashier Branches under the CCLA.

5. The Department commenced an examination on October 16, 2016 of the licensed principal place of business and the 39 branch licenses. ("2016 Global Examination").

6. The 2016 Global Examination consisted of a compliance review of company operations, a sampling of check cashing transactions across all branch locations, in-person branch inspections, along with a review of applicable federal regulations.

Cashing Postdated Checks

7. The 2016 Global Examination revealed that ACE cashed postdated checks.

8. The Department found that during the exam period ACE violated Section 505(a) which states in part "Advancement of moneys.--No licensee shall at any time cash or advance any money on a postdated check." 63 P.S.

§ 2325(a).

9. This violation was also found during the Department's previous examination of ACE and branches which commenced on April 23, 2013. ("2013 Global Examination").

10. Section 501(b) of the CCLA states that "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."

11. On May 8, 2013, the Department provided ACE with a Notice of Noncompliance which addressed the violation of Section 505 for cashing postdated checks as found during the 2013 Global Examination.

12. As evidenced by the finding of the 2016 Global Examination, ACE failed to correct the violation of cashing postdated checks.

Authority

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

14. Section 501(b) of the CCLA indicates that the department may order that civil penalties be levied against a licensee if the licensee fails to comply with the act or correct the violation in the issued notice of noncompliance. 63 P.S. § 2321(b).

15. The CCLA provides that any person who violates the CCLA “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.” 63 P.S. § 2327.

RELIEF

16. Fine. ACE agrees to pay a fine of eighty thousand dollars (\$80,000) which shall be payable to the Department within thirty (30) days of the Effective Date of this Order, as defined in paragraph 25 below. Payment of the fine shall be remitted by certified check or money order made payable to the Pennsylvania Department of Banking and Securities and sent to the attention of: Pennsylvania Department of Banking and Securities, Compliance Office, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101 or by wire transfer following separately provided instructions.

17. Postdated Check Controls, Training, Audits. ACE will develop and implement system controls to significantly mitigate the risk of cashing postdated checks in the future. ACE will develop and implement training for employees on that will address compliance with the CCLA, specifically cashing postdated checks. ACE will develop and incorporate audit procedures which will ensure that management is engaged in the correction of the violation of cashing postdated checks.

18. The written explanation of the system controls, the training material and the audit procedures required by paragraph 17 shall be remitted to the Department within 90 days of the Effective Date of the Order.

FURTHER PROVISIONS

19. Consent. ACE hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Office's order authority under the CCLA and agrees that it understands all of the terms and conditions contained herein. ACE, 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.

20. 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).

21. Consumer Rights. This Order shall not limit or impair a consumer's rights under the CCLA. *See* 63 P.S. § 2329.

22. 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 Office and ACE.

23. Binding Nature. The Office, ACE, and all officers, owners, directors, employees, heirs and assigns of ACE 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. ACE hereby stipulates and agrees that the Order shall become effective on the date that the Office executes the Order (“Effective Date”).

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

b. ACE 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 and ACE Cash Express, Inc. 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

John Talalai, Administrator
Compliance Office
Department of Banking and Securities

Date: 10/2/2017

FOR ACE CASH EXPRESS, INC.

Redacted

(Officer Signature)

Lisa J. Sterenchuk
(Print Officer Name)

VP of Compliance & Regulatory Counsel
(Title)

Date: 9/29/2017