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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING
AND SECURITIES, COMPLIANCE OFFICE

v.

E TIME SYSTEMS INC.

DOCKET NO. 19 0080 (BNK-ORD) ^{CAO}

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities' ("Department") Compliance Office, evaluated E Time Systems, Inc. ("E Time") and concluded that E Time engaged in the Commonwealth in the money transmission business without a license in violation of the Money Transmitter Act, 7 P.S. §§ 6101-6018 ("MTA"). E Time disagrees with the conclusion of the Compliance Office, but without admitting wrongdoing, agrees to enter into this Consent Agreement and Order ("Order") to avoid the time and expense of litigation. The parties, having agreed to resolve this matter amicably, and intending to be legally bound, hereby agree 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 has the primary responsibility of administering and enforcing the MTA for the Department.

3. E Time is a closely held corporation organized according to the laws of the Commonwealth of Pennsylvania with its principal office at 37 York Road, Willow Grove, PA 19090.

4. E Time provided electronic bill paying services to Pennsylvania consumers through licensed check cashers for the payment of bills to utilities, credit card companies, and cable services, among other things.

5. Neither E Time nor the check cashers were licensed as money transmitters.

6. The Department and E Time are currently engaged in litigation before the Commonwealth Court of Pennsylvania, docket number 513 MD 2018.

7. A company related to E Time by common ownership applied for a money transmission license on January 24, 2019 for the purpose of conducting those activities that the Compliance Office alleges is money transmission.

8. The license application was made to resolve the Commonwealth Court litigation in docket 513 MD 2018 by bringing E Time and its related companies into compliance with the Compliance Office's understanding of the MTA.

9. By entering into this Order, E Time does not admit any wrongdoing or that its activities were money transmission in violation of the MTA and that it is entering into this Order solely as a business decision to avoid expending time and resources on litigation.

AUTHORITY

10. The MTA provides that “[n]o 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. . .” 7 P.S. § 6102.

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. The Department has the authority to issue a fine of “up to two thousand dollars (\$2,000) for each offense” prior to January 2, 2017 and “up to \$10,000 for each offense” after January 2, 2017.” *See* 7 P.S. § 6116.

ALLEGED VIOLATIONS

13. The Compliance Office alleges, but E Time disputes, that E Time engaged in the business of money transmission without a license in violation of the MTA when, for a fee, it used an electronic method to move money from consumers to consumers’ third-party creditors.

RELIEF

14. Fine. E Time System Inc. shall pay the Department a fine in the amount of \$12,000.00 in monthly installments of \$1,000 a month for twelve consecutive months to resolve this matter and the litigation in Commonwealth court docket number 513 MD 2018. The first installment payment will be made within 30 days of the Effective Date of this Order, as defined in Paragraph 22. All payments shall be made by ACH or wire transfer, or if ACH or wire transfer is unavailable, by certified check, cashier’s check, teller’s check or money order. Physical payments shall be 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.

15. Upon execution of this Order by both parties, the Department will withdraw the enforcement action pending before the Commonwealth Court docketed at 513 MD 2018 with prejudice. However, nothing will prevent the Department from filing a new enforcement action for any failure of E Time to comply with the provisions of this agreement including the payment of the fine.

16. License. The Department will not use this Order or the underlying money transmission activities as a basis to deny a license to E Time or any company with common ownership, except that non-compliance with this Order going forward may result in a revocation or refusal to renew any license that is granted or may lead to enforcement of this Order in Commonwealth Court.

FURTHER PROVISIONS

17. Consent. E Time hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Department's order authority under the MTA and agree that they understand all the terms and conditions contained herein. E Time by voluntarily entering into this Order waives any right to a hearing or appeal concerning the terms, conditions and penalties set forth in this Order.

18. 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).

19. Entire Agreement. This Order contains the entire agreement between the Department and E Time. 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 E Time.

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

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

22. Effectiveness. E Time hereby stipulates and agrees that the Order shall become effective the day it is docketed in the Office of the Secretary.

23. Other Enforcement Action.

a. The Department reserves all its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against E Time in the future regarding all matters not resolved by this Order.

b. E Time 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.

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

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

26. 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 and Securities, Bureau of Compliance

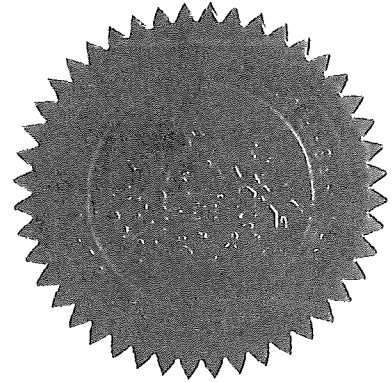
and Licensing and E Time Systems Inc. intending to be legally bound, do hereby execute this
Consent Agreement and Order.

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

Redacted

James Keiser
Chief
Compliance Office

Date: September 12, 2019



FOR E TIME SYSTEMS, INC.

Redacted

(Officer Signature)

Q. J. Buzzeck

(Print Officer Name)

CEO

(Title)

Date: 9/11/2019