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FEB 23 2017
11:30AM ASH
COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2017-AH-00003

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

DOCTOR PAYDAY, INC.
(License #: CC12866)

RESPONDENT

* * * * *

1. The Department of Financial Institutions ("DFI") is responsible for regulating and licensing entities engaged in the business of cashing checks and accepting deferred deposit transactions in accordance with the provisions set forth in KRS Chapter 286.9.

2. Doctor Payday, Inc. ("Respondent") is authorized to do business in Kentucky as a deferred deposit and check cashing licensee pursuant to KRS Chapter 286.9, with an office located at 423 Broadway, Paintsville, Kentucky 41240, Deferred Deposit License #: CC12866 (ICIE #: 380512).

3. DFI conducted a routine examination of Respondent on October 18, 2016. During the examination, DFI discovered Respondent submitted an inaccurate social security number into the Veritec database for a customer prior to entering into the deferred deposit transaction. By submitting this incorrect information, this act allowed the customer to enter into another deferred deposit transaction with a different licensee, resulting in simultaneous outstanding loans for that customer in excess of the statutory amount of \$500.00, in violation of KRS 286.9-100(9) and KRS 286.9-140(1).

4. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, as well as the imposition of civil penalties in an amount up to \$5,000 per violation. See KRS 286.9-110; 286.9-991.

5. In this case, the DFI assessed a civil penalty against Respondent in the amount of **One Thousand Dollars (\$1,000.00)** for the above-described violation.

6. In the interest of economically and efficiently resolving the violation(s) described herein, and without Respondent admitting or denying the statements of fact and legal conclusions herein, DFI and Respondent agree as follows:

a. Respondent agrees to a civil penalty assessment in the amount of **One Thousand Dollars (\$1,000.00)** for the violation(s) described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of **One Thousand Dollars (\$1,000.00)**, which shall be rendered in **monthly payments of \$250.00** on the following dates:

1. March 1, 2017
2. April 1, 2017
3. May 1, 2017
4. June 1, 2017

Each of the payments shall be in the form of a certified check or money order made payable to "KENTUCKY STATE TREASURER" and mailed to the Department of Financial Institutions, Attn: Non-Depository Division - Order, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in KRS Chapter 286.9.

7. Respondent waives its right to demand a hearing at which it would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on its own behalf, or to otherwise appeal or set aside this Order.


8. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

9. In consideration of execution of this Agreed Order, Respondent for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

10. By signing below, Respondent acknowledges it has read the foregoing Agreed Order, knows and fully understands its contents, and that the individual signing on behalf of Respondent is authorized to enter into and execute this Agreed Order and legally bind Respondent.

11. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 23rd day of February, 2017.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 2nd day of February, 2017.

Tammy R. Scruggs
Tammy Scruggs, Director
Division of Non-Depository Institutions
Department of Financial Institutions

This 2nd day of Feb, 2017.

Patricia Lee Freeman
Authorized Representative
Doctor Payday, Inc.
Deferred Deposit License #: CC12866

ACKNOWLEDGEMENT

STATE OF Ky)
COUNTY OF Johnson)

On this the 2nd day of Feb, 2017, before me Laura Holbrook, the undersigned, Patricia Lee Freeman, did personally appear and acknowledge himself/herself to be the authorized representative of **Doctor Payday, Inc., License #: CC12866**, and that he/she, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 8-9-17

Laura Holbrook
Notary Public



CERTIFICATE OF SERVICE

23 I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the day of February, 2017, by certified mail, return receipt requested, to:

**Lee Freeman
Doctor Payday, Inc.
423 Broadway
Paintsville, KY 41240**

And by Hand-Delivery to:

Hon. Tiffany J. Bowman
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601
Attorney for the Kentucky Department of Financial Institutions

Kentucky Department of Financial Institutions

Name: Allison E. Hiles

Title: Executive Staff Advisor