

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY CASE NO. 2024-AH-0017

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

BUCKEYE CHECK CASHING OF KENTUCKY, INC.

RESPONDENT

AGREED ORDER

STATEMENT OF FACTS

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing entities engaged in the business of deferred deposit services with the provisions set forth in Kentucky Revised Statutes (KRS) Chapter 286.9 (“The Act”).

2. Buckeye Check Cashing of Kentucky, Inc. (“Respondent”) is authorized to do business in Kentucky as a deferred deposit service business pursuant to KRS Chapter 286.9 and holds numerous licenses for locations throughout the commonwealth, including License Nos. 124-04, 124-09, 160-02, CC20582, CC13962, 177-2, CC15493, CC19245, 160-5, 160-1, and 236-13. Respondent has a corporate address of 5165 Emerald Parkway, Suite 100, Dublin, Ohio 43017.

3. The Department conducted examinations on a number of Respondent’s Kentucky-licensed locations from November 14, 2022, through March 5, 2024. The examination reports noted multiple violations that are summarized below. These examinations and reports below are collectively referred to herein as “ROES”:

Date of Exam	Location/License No.	Prohibited Actions	Statute	Violations Noted
11/14-22/2022	Lexington, Ky/ 124-04	Unauthorized Reopening	KRS 286.9-140(1) 8 KAR 9:010	5
01/03-09/2023	London, Ky/ 124-09	Over the Limit/Wrong Social Security #	KRS 286.9-100(9)	1
02/08-09/2023	Erlanger, Ky/ 160-2	Unauthorized Reopening	KRS 286.9-140(1) 8 KAR 9:010	2
02/13-15/2023	Louisville, Ky/ CC20582	Unsigned Written Agreement	KRS 286.9-100(13)	2
01/06-09/2023	Louisville, Ky/ CC13962	Unauthorized re-opening Unsigned Written Agreement	KRS 286.9-140(1) KRS 286.9-100(13)	1 12
03/07-08/2023	Cold Spring, Ky/ 177-2	Over the Limit/Wrong Social Security #	KRS 286.9-100(9)	1
03/10-14/2023	Louisville, Ky/ CC15493	Unsigned Written Agreement Over the Limit/Wrong Social Security #	KRS 286.9-100(13) KRS 286.9-100(9)	1 2
03/27-28/2023	Louisville, Ky/ CC19245	Unauthorized Reopening	KRS 286.9-140(1) 8 KAR 9:010	1
03/27-28/2023	Dry Ridge, Ky/ 160-5	Unsigned Written Agreement	KRS 286.9-100(13)	9
12/11-13/2024	Florence, Ky/ 160-1	Unsigned Written Agreement	KRS 286.9-100(13)	54
01/16-17/2024	Paducah, Ky/ 236-13	Unsigned Written Agreements	KRS 286.9-100(13)	3
03/4-5/2024	Louisville, Ky/ CC15493	Unsigned Written Agreement	KRS 286.9-100(13)	3

STATUTORY AUTHORITY

4. KRS 286.9-100(13) states, "Each deferred deposit transaction shall be made according to a written agreement that shall be dated and signed by the customer and the licensee or an authorized agent of the licensee at the licensed location and made available to the commissioner upon request. The customer shall receive a copy of this agreement."

5. KRS 286.9-100(9) states, "A licensee shall not have more than two (2) deferred deposit transactions from any one (1) customer at any one time. The total proceeds received by the customer from all of the deferred deposit transactions shall not exceed five hundred dollars (\$500)."

6. KRS 286.9-140(1) states in part, "A deferred deposit service business licensee shall accurately and promptly submit such data before entering into each deferred deposit transaction in such format as the commissioner may require by rule or order, including the customer's name, Social Security number or employment authorization alien number, address, driver's license number, amount of the transaction, date of transaction, date that the completed transaction is closed, and any additional information required by the commissioner..."

7. 8 KAR 9:010 Sec. 2 states in part, "(3) A licensee shall not cause a closed deferred deposit transaction to be reopened in the database unless all of the following conditions are satisfied: (a) The deferred deposit transaction was closed by reason of clerical error by the licensee; (b) The licensee causes the deferred deposit transaction to be reopened on or before the close of business on the business day after the transaction was closed; and (c) Reopening the transaction would not cause the consumer to exceed the transaction limits set forth in KRS 286.9-100(9).

8. KRS 286.9-991 states in part. "(1) The commissioner may levy a civil penalty against a person who violates any provision of, or administrative regulation promulgated under, this subtitle or any order issued by the commissioner under this subtitle. (2) The civil penalty shall be not less than one thousand dollars (\$1,000) or more than five thousand dollars (\$5,000) per violation for each day the violation is outstanding, plus the state's costs and expenses for the examination, investigation, and prosecution of this matter, including reasonable attorney's fees and court costs."

VIOLATIONS

9. Respondent was found to have a completed eighty-four (84) transaction agreements that did not contain the either customer's and/or licensee's signatures, in violation of KRS 286.9-100(13).

10. Respondent was found to have improperly reopened nine (9) closed transactions in the database, in violation of KRS 286.9-140(1) and 808 KAR 9:010 Sec. 2(3).

11. Respondent was found to have four (4) transactions with customers that exceeded the five-hundred-dollar (\$500) limit of total deferred deposit transactions per customer, in violation of KRS 286.9-100(9).

AGREEMENT AND ORDER

12. Respondent neither admits nor denies violating any provision of KRS 286.9 or any regulations promulgated thereunder.

13. To resolve this matter without litigation or other adversarial proceedings, DFI and Respondent agree to compromise and settle all claims arising from the above-referenced factual background and ROFS in accordance with the terms set forth herein.

14. This Agreement will resolve all violations found in the above listed examinations conducted from November 14, 2022, through March 5, 2024.

15. In the interest of economically and efficiently resolving the violation described herein, DFI and Respondent agree as follows:

a. Respondent agrees to pay a civil penalty assessment in the amount of fifty-one thousand dollars (\$51,000) for the violations described herein, which shall be payable immediately upon entry of this Order;

b. All payments shall be made electronically through the NMLS system;

c. Respondent shall cease and desist from any future violations of the Kentucky Financial Services Code;

d. Respondent agrees to take appropriate remedial actions including supervision and training to avoid future violations of the Kentucky Financial Services Code;

e. With respect to ROES, Respondent waives their right to demand a hearing at which they would be entitled to legal representation, to confront and cross-examine witnesses, and to present evidence on their own behalf, or to otherwise appeal or set aside this Order;

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

g. In consideration of execution of this Agreed Order, Respondent hereby releases and forever discharges the Commonwealth of Kentucky, The Department of Financial Institutions, 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 with respect to these ROES;

h. By signing below, Respondent acknowledges they have read the foregoing Agreed Order and is aware of and fully understands its contents; and

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

SO ORDERED on this the **31st** day of **July**, 2024.

/s/ Marni Rock Gibson

MARNI ROCK GIBSON,
COMMISSIONER

Consented to:

On behalf of the Department of Financial Institutions:

This 31 day of July, 2024.



Hannah Carlin, Director
Division of Non-Depository Institutions
Department of Financial Institutions

AND

On behalf of Buckeye Check Cashing of Kentucky, Inc.

This 22nd day of July, 2024.



Lisa Vittorini
Chief Administrative Officer

ACKNOWLEDGEMENT

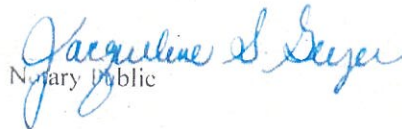
STATE OF Ohio)
)
COUNTY OF Franklin)

On this the 22nd day of July, 2024, before me Jacqueline S. Geyer (please print notary name), the undersigned, Lisa Vittorini, did personally appear and that he entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: June 21, 2025



JACQUELINE S GEYER
Notary Public
State of Ohio
My Comm. Expires
June 21, 2025


Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the *31st* day of *July*, 2024, by certified mail, return receipt requested, to:

Katherine Haennicke
Community Choice Financial
5165 Emerald Parkway, Suite 100
Dublin, Ohio 43017

Via hand-delivery to:

Elizabeth Borders
Department of Financial Institutions
500 Mero Street 2SW19
Frankfort, Kentucky 40601

Kentucky Department of Financial Institutions

Name: *Aaron Reed*

Title: *Executive Staff Advisor*