

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2015-AH-00137
ADMINISTRATIVE AGENCY NO. 16-PPC-003

ENTERED
APR 19 2016
3:43 p.m.
COMMISSIONERS OFFICE

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v. AGREED ORDER ASSESSING CIVIL PENALTIES,
ORDERING REFUNDS AND REVOKING LICENSE

DBHL INVESTMENTS, LLC
D/B/A ASAP LOANS & FINANCING and
F/K/A COLORTYME FINANCIAL SERVICES

RESPONDENT

* * * * *
FINDINGS OF FACT AND CONCLUSIONS OF LAW

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. DBHL Investments, LLC ("Respondent"), a Limited Liability Company owned by David Earl Stein, is authorized to do business in Kentucky as a deferred deposit and check cashing licensee pursuant to KRS Chapter 286.9, with a primary business location of 5717 Preston Highway, Louisville, Kentucky 40219 with Deferred Deposit License # CC24440. (ICIE# 292239)

3. DFI received a complaint from Customer GH on May 15, 2014, to which DFI initiated an investigation of Respondent. On June 23, 2014, based on the complaint received, DFI went to Respondent's business location to continue the investigation and conduct an examination of records.

4. Upon completion of the investigation, DFI discovered that, between November 6, 2012 and November 6, 2015, Respondent entered an inaccurate social security number on three hundred fifty three (353) occasions for twelve (12) customers in violation of KRS 286.9-140(1), KRS 286.9-100(19).

5. In addition, Respondent entered into a third deferred deposit transaction on sixteen (16) occasions with three (3) customers, who had two open transactions with other licensees, in violations of KRS 286.9-100(18) and KRS 286.9-140(4)(a).

6. DFI possesses a range of administrative remedies in addressing violations of the Act, including license revocation or denial, the ordering of refunds to be made to customers, and the imposition of a civil penalty in an amount up to \$5,000 per violation. *See* KRS 286.9-110 and 286.9-991.

7. In this case, the DFI assessed a civil penalty against Respondent in the amount of Fifty Two Thousand Five Hundred dollars (\$52,500), of which Twenty Nine Thousand Four Hundred Fifty Two dollars and Seventy Nine cents (\$29,452.79) consists of refunds to be made to affected customers, which the Commissioner has determined are damages incurred by the affected customers as a result of Respondent's violations of the statutes referenced herein.

8. In the interest of economically and efficiently resolving the violation(s) described herein, and with Respondent admitting the violations herein, Respondent agrees as follows:

a. Respondent agrees to a civil penalty assessment in the amount of Fifty Two Thousand Five Hundred dollars (\$52,500.00) for all violation(s) referenced herein;

b. Respondent agrees to pay the total civil penalty assessed herein of Fifty Two Thousand Five Hundred dollars (\$52,500), to DFI, which shall be due upon entry of the Agreed Order Assessing Civil Penalties, Ordering Refunds and Revoking

License. The payment 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 agrees that Twenty Nine Thousand Four Hundred Fifty Two dollars and Seventy Nine cents (\$29,452.79) of the total civil penalty assessed in paragraph 9(b) above shall be paid to DFI on behalf of the following customers to refund the service fees on the transactions that created the violations referenced herein:

1. Customer JM
2. Customer EP
3. Customer GW
4. Customer MW
5. Customer TW
6. Customer BS.1
7. Customer JP
8. Customer KC
9. Customer APR
10. Customer GH
11. Customer BS.2
12. Customer TT

d. Respondent agrees to the revocation of its deferred deposit license.

e. Respondent agrees to notify DFI of the location and custodian of all remaining customer records upon entry of this order.

10. 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.

11. 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.

12. 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.

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

AGREED ORDER

THEREFORE, based upon the foregoing Findings of Fact, Statutory Authority, and Conclusions of Law, the Commissioner **HEREBY ORDERS**:

1. That the deferred deposit license of Respondent, DBHL Investments, LLC, D/B/A ASAP Loans and Financing and F/K/A/ ColorTyme Financial Services is revoked; and
2. That Respondent shall pay a civil penalty in the amount of Fifty Two Thousand Five Hundred dollars (\$52,500), to DFI, of which Twenty Nine Thousand Four Hundred Fifty Two dollars and Seventy Nine cents (\$29,452.79) constitutes refunds to be made to the affected customers herein referenced; and
3. That Respondent shall notify DFI of the location and custodian of all remaining customer records.

This **AGREED ORDER** is a **FINAL ORDER**. The **EFFECTIVE DATE** of this order shall be the date reflected on the certificate of service attached to this order.

IT IS SO ORDERED on this the 19th day of April, 2016.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 18th day of April, 2016.

This 12 day of APRIL 2016.

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

David Earl Stein
David Earl Stein
DBHL Investments, LLC
D/B/A ASAP Finance and Loans
F/K/A ColorTyme Financial Services
Deferred Deposit License # CC24440

ACKNOWLEDGEMENT

STATE OF Kentucky)
)
COUNTY OF Jefferson)

On this the 12th day of April, 2016, before me Connie L. Steffey, the undersigned, DAVID EARL STEIN, did personally appear and acknowledge himself/herself to be the authorized representative of DBHL Investments, LLC, D/B/A ASAP Finance and Loans, F/K/A ColorTyme Financial Services, Lic# CC24440 and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 3/17/2019

Connie L. Steffey
Notary Public

CONNIE L. STEFFEY
Notary Public
State at Large
Kentucky
My Commission Expires Mar. 17, 2019

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Agreed Order was sent on this the 19 day of April, 2016, by certified mail, return receipt requested, to:

DBHL Investments, LLC
d/b/a ASAP Finance and Loans
f/k/a ColorTyme Financial Services
Attn: David Earl Stein
3205 Cherry Tree Lane
Prospect, KY 40059

Mr. David N. Ward
c/o CLAY DANIEL WALTON ADAMS, PLC
462 South Fourth Avenue
Meidinger Tower, Suite 101
Louisville, Kentucky 40202
Counsel for Respondent

And by Hand-Delivery to:

Hon. Catherine Falconer
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601
Counsel for Department of Financial Institutions



Kentucky Department of Financial Institutions