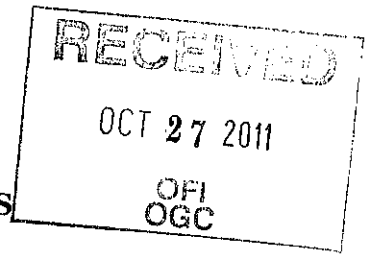


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0165



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

FAST PAYDAY LOANS OF KENTUCKY, LLC

RESPONDENT

* * * * *

1. The Department of Financial Institutions (“DFI”) is responsible for regulation and licensing of check cashing and deferred depository transaction licensees in accordance with the provisions set forth in KRS Chapter 286.9 (the “Act”).

2. The Respondent, Fast Payday Loans of Kentucky, LLC (“Respondent”), is currently licensed by the DFI to do business as a deferred deposit lender in Kentucky pursuant to the Act, and maintains a principal office and last known address located at 8601 Dunwoody Place, Suite 406, Atlanta, Georgia 30350. Respondent also operates a licensed branch office located at 1309 South Green Street, Henderson, Kentucky 42420, the license number for which branch is CC15750.

3. On June 16, 2011, began an investigation, pursuant to the Act, of a written consumer complaint alleging that Respondent’s Henderson branch had engaged in unauthorized transactions with a customer by accepting the presentation of checks on an account for which the customer was neither the owner nor authorized to present.

4. During the course of its investigation, the DFI discovered that between the period of December 2010 through April 2011, Respondent entered into numerous deferred deposit transactions with a customer in exchange for checks on a bank account solely in the name of the customer’s husband, who was not a party to or present for any

of the transactions and who had not signed or otherwise authorized any of the checks. Moreover, the DFI discovered that Respondent had not only permitted the customer to sign several of the checks in her own name on her husband's account, but had also permitted her to sign some of the checks in the name of her husband.

5. The DFI has concluded that the conduct described herein was in violation of KRS 286.9-100(19)(a), which requires a licensee to verify that the customer meets the eligibility requirements for a deferred presentment service under the Act; and 808 KAR 9:010(1)(a), which states that "[a] licensee shall institute procedures and maintain an accounting system that is designed to...[p]revent the licensee from entering into multiple transactions with a customer in violation of KRS 286.9-100."

6. The DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, and/or the imposition of fines in an amount up to \$5,000 per violation. *See* KRS 286.9-110; 286.9-991.

7. In this case, the DFI has assessed a fine against Respondent's Henderson branch in the amount of six thousand dollars (\$6,000.00) for the violation(s) set forth above herein.

8. In the interest of economically and efficiently resolving the violation(s) described herein, the DFI and Respondent agree as follows:

- a. Respondent agrees to a fine assessment in the total amount of six thousand dollars (\$6,000.00) for the violation(s) described herein;
- b. Respondent agrees to and shall reimburse the DFI the costs of its investigation into this matter, in the amount of one hundred and sixty-eight dollars (\$168.00);

- c. Respondent agrees to and shall pay the total sum assessed herein in a single installment payment of six thousand, one hundred and sixty-eight dollars (\$6,168.00), which shall be due on the date Respondent signs the Agreed Order and returns it to DFI, which shall occur by no later than October 22, 2011. Said 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: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;
 - d. Respondent agrees to and shall refund to the customer all fees earned on the transactions giving rise to this matter, in the total sum of four hundred, thirty-seven dollars and twenty-five cents (\$437.25), and simultaneously provide to the DFI written proof and confirmation of the tender of such refund by no later than the date set forth in subparagraph c. above. Respondent having already refunded to a the customer a portion of said fees, it is agreed that the remaining balance of such refund to be made is two hundred, thirty-seven dollars and twenty-five cents (\$237.25); and
 - e. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in the Act and the regulations enacted thereunder.
9. 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.

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

11. 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, the 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.

12. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

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

IT IS SO ORDERED on this the 29th day of October, 2011.




CHARLES A. VICE
COMMISSIONER

Certificate of Service

I hereby certify that a copy of the foregoing Agreed Order was sent by certified mail, return receipt requested, on this the 28th day of October, 2011 to:

Joel S. May
Fast Payday Loans of Kentucky, LLC
8601 Dunwoody Place, Suite 406
Atlanta, Georgia 30350
Counsel for Respondent

Respectfully submitted,



Michael T. Davis
Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601
(502) 573-3390 Ext. 240
(502) 573-2183 (facsimile)
Counsel for Complainant