

ENTERED
MAR 21 2016
12:51 p.m.
COMMISSIONERS OFFICE

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2016-AH-00016**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

**MWG Enterprises, LLC
d/b/a USA Check Cashing
(License #: CC23158)**

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. MWG Enterprises, LLC d/b/a USA Check Cashing ("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 821 West Broadway, Suite A, Louisville, Kentucky 40202, with Deferred Deposit License#: CC23158 (ICIE #: 327423).

3. The Respondent self-reported violations to DFI on July 13, 2015. The Respondent discovered it had closed nine (9) customer loans in the Veritec database system when they still owed on their loans. When the loans were re-opened, the customers each had an aggregate amount greater than \$500.00 for their outstanding loans, which exceeded limits allowed under KRS 286.9 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; KRS 286.9-991.

5. In this case, the DFI assessed a civil penalty against Respondent in the amount of **Thirteen Thousand and Five Hundred Dollars (\$13,500.00)** for the above-described violations of KRS 286.9-100(9) and KRS 286.9-140(1).

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 **Thirteen Thousand and Five Hundred Dollars (\$13,500.00)** for the self-reported violation(s) described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of **Thirteen Thousand and Five Hundred Dollars (\$13,500.00)**, which shall be due upon entry of the Agreed Order. 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 to make restitution, by check drawn on the Respondent's account, to each customer by refunding the service fees on the transactions that created the database violations and to maintain

records – consistent with KRS 286.9-074 – that such refund checks were issued to each customer and were processed for payment by each customer.

d. Simultaneously, with the return of this signed and notarized Agreed Order and payment, Respondent shall submit to DFI copies of all checks drawn on its account as evidence that restitution has been affirmatively rendered to each customer; and,

e. 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, 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.

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

IT IS SO ORDERED on this the 18th day of March, 2016.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 16th day of March, 2016.

This 4 day of March, 2016.

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

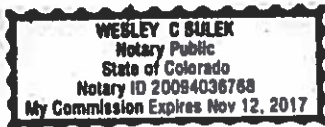
Martin Goldsmith
Authorized Representative
MWG Enterprises, LLC
d/b/a USA Check Cashing
Deferred Deposit License #: CC23158

ACKNOWLEDGEMENT

STATE OF Colorado)
COUNTY OF Pitkin)

On this the 4 day of March, 2016, before me Wesley C Bulek, the undersigned, Martin Goldsmith, did personally appear and acknowledge himself/herself to be the authorized representative of **MWG Enterprises, LLC d/b/a USA Check Cashing, License #: CC23158**, and that he/she, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 11/12/2017



Wesley C Bulek
Notary Public

CERTIFICATE OF SERVICE

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

**Michael R. Gosnell
Attorney at Law
WEBER & ROSE, P.S.C.
471 West Main Street, Suite 400
Louisville, Kentucky 40202**

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