

STATE OF NEBRASKA
Department of Banking & Finance

IN THE MATTER OF:)	
)	FINDINGS OF FACT
QC Financial Services, Inc.,)	CONCLUSIONS OF LAW
d/b/a Quick Cash,)	AND
601 South 25 th Street, Suite 200,)	CONSENT AGREEMENT
Norfolk, Madison County, Nebraska)	

THIS MATTER comes before the Nebraska Department of Banking and Finance (“DEPARTMENT”), by and through its Director, pursuant to its authority under the Delayed Deposit Services Licensing Act, Neb. Rev. Stat. §§ 45-901 to 45-929 (Reissue 2004; Cum. Supp. 2008) (“the Act”). Pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008), the DEPARTMENT has examined the books, accounts, and records of QC Financial Services, Inc., d/b/a Quick Cash, 601 South 25th Street, Suite 200, Norfolk, Madison County, Nebraska (“QUICK CASH”). As a result of such examination, and being duly advised and informed in the matter, the Director and QUICK CASH enter into the following Findings of Fact, Conclusions of Law, and Consent Agreement.

FINDINGS OF FACT

1. QUICK CASH holds a delayed deposit services business license under the Act. License #1971 was originally issued on December 19, 2005. The license has been renewed annually on May 1st since that time, pursuant to Neb. Rev. Stat. § 45-910 (Cum. Supp. 2008).
2. On March 20, 2007, the DEPARTMENT commenced an examination of QUICK CASH pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008). This examination included an on-site visitation of all QUICK CASH’s Norfolk, Madison County, Nebraska locations.

3. The March 20, 2007 Report of Examination (“Report”) was forwarded to QUICK CASH on April 16, 2007. The Report noted a number of violations of the Act. QUICK CASH submitted responses received by the DEPARTMENT on May 10, 2007 and September 18, 2007.

4. References in this Consent Agreement to customers of QUICK CASH will be by way of initials, in order to protect the privacy of such customers. QUICK CASH knows or should know the identity of these customers. If QUICK CASH is unable to ascertain the identity of these customers, the DEPARTMENT will provide a list of these customers upon receipt of a written request.

5. The Report noted that QUICK CASH failed to maintain copies of its checks in customer files until January 30, 2007, although required to do so by statute since July 14, 2006.

6. QUICK CASH’s May 10, 2007 response stated:

4. All caution has been taken to assure that checks will be copied upon deposit and upon being returned. Copies of checks can be provided if necessary.

7. QUICK CASH’s failure to maintain copies of customers’ checks until January 30, 2007, although required to do since July 14, 2006, represents numerous violations of Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).

8. The Report noted six (6) instances where QUICK CASH held checks for customers FA, TF, JG (2), JS, and SS longer than the statutorily allowed time.

9. QUICK CASH’s May 10, 2007 response stated:

a) A, F (customer name redacted)-The manager was under the assumption that this deposit would be covered under the new 34 day hold period since it was deposited after the 14th of July. Customer requested check to be

deposited on 8/3 and later declared Bankruptcy. It was referred to Corporate immediately.

b) F, T (customer name redacted)-This was the same as FA, it was presumed to be covered under the new 34 day hold change to state statute. This has been taken care of by the customer. The Manager has been warned of the importance of depositing checks in accordance to the state law.

c) G, J (customer name redacted)-After all attempts to reach JG, the checks were deposited in the afternoon, once again reflecting a late deposit. These checks also were thought to be covered under the new 34 day hold period. The information received from the state did not clearly indicate whether it was to be transactions initiated after July 14th or simply changed from 31 to 34 days on the 14th. This was a manager interpretation of the change in statute. JG has been sent to the Corporate office.

....

g) S, J (customer name redacted)-Check was actually deposited on Saturday morning. Bank receipt shows Monday as it was after the Friday Cut-off. Attempted to produce bank tape verifying that check was deposited on Saturday, however this too still states that check was not posted until Monday 7/10.

h) S, S (customer name redacted)-As in the previous explanation this was deposited on the correct day but did not meet the deadline of the bank cutoff. This will not be an issue now or in the future.

10. QUICK CASH's holding of checks for customers FA, TF, JG (2), JS, and SS for longer than the statutorily allowed time represents six (6) separate violations of Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008) in effect at the time the transaction was entered.

11. The DEPARTMENT could conclude that the actions of QUICK CASH warrant the commencement of administrative proceedings to determine whether it should impose an administrative fine in an amount up to five thousand dollars per violation, plus investigation costs, pursuant to Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008).

12. The DEPARTMENT incurred a minimum of five hundred dollars in investigation costs in this matter.

CONCLUSIONS OF LAW

1. Neb. Rev. Stat. § 45-908 (Reissue 2004) provides that in order to issue a delayed deposit services business license, the Director must determine that the character and general fitness of the applicant and its officers, directors, and shareholders are such as to warrant a belief that the business will be operated honestly, fairly, efficiently, and in accordance with the Act.

2. Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008) provides that a licensee shall, at a minimum, include in its books and records copies of all application materials relating to makers, disclosure agreements, checks, payment receipts, and proofs of compliance required by Section 45-919.

3. Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008) provides that no licensee shall hold or agree to hold a check for more than thirty-four days if the transaction was entered into after July 14, 2006. If the transaction was executed prior to July 14, 2006, the statutorily allowed time to hold a check was thirty-one days.

4. Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008) provides that if the Director finds, after notice and opportunity for hearing, that any person has violated the Act, the Director may order such person to pay an administrative fine of not more than five thousand dollars for each separate violation and the costs of an investigation.

5. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that QUICK CASH has violated the Act, and that an administrative fine in an amount of not more than five thousand dollars for each separate violation plus costs of investigation should be imposed in accordance with Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008).

6. Under the Act's statutory framework, the Director has the legal and equitable authority to fashion significant remedies.

7. It is in the best interest of QUICK CASH, and it is in the best interest of the public, for QUICK CASH and the DEPARTMENT to resolve the issues included herein.

CONSENT AGREEMENT

The DEPARTMENT and QUICK CASH agree as follows:

Stipulations: In connection with this Consent Agreement, QUICK CASH and the Director stipulate to the following:

1. The DEPARTMENT has jurisdiction as to all matters herein.
2. This Consent Agreement shall resolve all matters raised by the DEPARTMENT's March 20, 2007 examination of QUICK CASH. Should future circumstances warrant, the facts from this matter may be considered in a future administrative action by the DEPARTMENT.
3. This Consent Agreement shall be in lieu of all other proceedings available to the DEPARTMENT, except as specifically referenced in this Consent Agreement.

QUICK CASH further represents as follows:

1. QUICK CASH is aware of its right to a hearing on these matters at which it may be represented by counsel, present evidence, and cross examine witnesses. The right to such a hearing, and any related appeal, is irrevocably waived.
2. QUICK CASH is acting free from any duress or coercion of any kind or nature.
3. This Consent Agreement is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for the purpose of this Consent Agreement and for no other purpose.


IT IS, THEREFORE AGREED as follows:

1. Within ten (10) days after the effective date of this Consent Agreement, QUICK CASH shall pay a fine of five thousand dollars (\$5,000.00) for failing to maintain copies of customer checks until January 30, 2007, although required to do so since July 14, 2006, in violation of Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).
2. Within ten (10) days after the effective date of this Consent Agreement, QUICK CASH shall pay a fine of one hundred dollars (\$100.00) for each of the six (6) instances it held a customer check longer than the statutorily allowed time in violation of Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008) in effect at the time of the transaction.
3. Within ten (10) days after the effective date of this Consent Agreement, QUICK CASH shall pay the DEPARTMENT's investigation costs in the amount of five hundred dollars (\$500.00).
4. The total amount of the fine, five thousand six hundred dollars (\$5,600.00), plus the total amount of investigation costs, five hundred dollars (\$500.00), shall be payable in one check or money order in the amount of six thousand one hundred dollars (\$6,100.00) to the DEPARTMENT.
5. In the event QUICK CASH fails to comply with any of the provisions of this Consent Agreement, the DEPARTMENT may commence such action regarding QUICK CASH as it deems necessary and appropriate in the public interest.
6. If, at any time, the DEPARTMENT determines QUICK CASH has committed any other violations of the Act, the DEPARTMENT may take any action available to it under the Act.

7. The effective date of this Consent Agreement will be the date of the Director's signature.

DATED this 30th day of April, 2009.

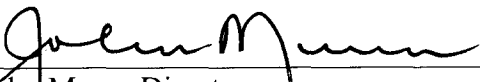
QC Financial Services, Inc.
d/b/a Quick Cash

By: 
Darrin Andersen, President

9401 Indian Creek Parkway, Suite 1500
Overland Park, KS 66210
(913) 234-5000

DATED this 11th day of May, 2009.

STATE OF NEBRASKA
DEPARTMENT OF BANKING AND FINANCE

By: 
John Munn, Director

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