

STATE OF NEBRASKA
Department of Banking & Finance

IN THE MATTER OF:)	
)	FINDINGS OF FACT
FCFS Co, Inc.,)	CONCLUSIONS OF LAW
d/b/a First Cash Pawn, Mister Money)	AND
326 West 27 th Street)	CONSENT AGREEMENT
Scottsbluff, Scotts Bluff 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 45-930 (Reissue 2010; Cum. Supp. 2014) (“the Act”). Pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2014), the Department has examined the books, accounts, and records of FCFS Co, Inc., d/b/a First Cash Pawn, Mister Money, 326 West 27th Street, Scottsbluff, Scotts Bluff County, Nebraska (“FCFS”). As a result of such examination, and being duly advised and informed in the matter, the Director and FCFS enter into the following Findings of Fact, Conclusions of Law, and Consent Agreement.

FINDINGS OF FACT

1. FCFS holds a delayed deposit services business license under the Act. License No. 2059 was originally granted November 21, 2012, and has been renewed annually on May 1st since that time pursuant to Neb. Rev. Stat. § 45-910 (Cum. Supp. 2014).
2. On August 10, 2015, the Department commenced an examination of FCFS pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2014). This examination included an on-site visitation of FCFS’s Scottsbluff, Scotts Bluff County, Nebraska location.

3. The August 10, 2015 Report of Examination (“Report”) was forwarded to FCFS on September 9, 2015. The Report noted a number of violations of the Act. FCFS submitted a response to the Department dated September 29, 2015.

4. The Department has reviewed the response submitted by FCFS and has taken it into consideration in determining the appropriate actions to be taken in this matter.

5. The previous regular examinations of FCFS were conducted August 8, 2013 (“2013 Exam”), and October 8, 2014 (“2014 Exam”) and revealed a number of violations of the Act. The 2013 Exam resulted in a Consent Agreement between the Department and FCFS with an effective date of May 2, 2014. The 2014 Exam resulted in the issuance of an Order to Show Cause why FCFS’s license should not be suspended or revoked and/or why a fine should not be imposed, which was resolved with a Consent Order, with an effective date of May 18, 2015. Repeat violations of the Act will be noted below.

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

7. FCFS failed to make a copy of a check available to the Department’s examiner in one instance for customer LM.

8. FCFS failed to properly maintain accurate payment records in twenty-six instances comprised of:

a. One instance where an incorrect check number was entered into an automated system for customer FE;

b. Five instances where incorrect total due amounts were listed on a collections report for customers RA, DL, NS, NS, and RS;

c. Five instances where an incorrect balance was provided on a collection report for customers RA, DL, SM, NS, and RS;

d. Four instances where a Non Sufficient Funds (“NSF”) fee was reflected on a collections report but not in the maker’s file for customers RA, DL, SM, and NS;

e. Three instances where an incorrect total due amount was provided on an Automated Clearing House (“ACH”) report for customers RA, DL, and RS;

f. Four instances where an incorrect balance was provided on an ACH report for customers RA, DL, SM, and RS; and

g. Four instances where a NSF fee is reflected on an ACH report but not in the maker’s file for customers RA, DL, SM, and RS.

9. The violations in Findings of Fact No. 8 are repeat violations as noted in the 2013 Exam and corresponding Agreement and the 2014 Exam and corresponding Order.

10. FCFS failed to obtain correctly completed Same Day Transaction Verification Forms (“SDTVFs”) in seven instances for customers JI, DF, SW, FE (3) and JV, and are repeat violations as noted in the 2013 Exam and corresponding Agreement, and the 2014 Exam and corresponding Order.

11. The Department could conclude that the actions of FCFS 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. 2014).

12. The Department incurred a minimum of five hundred dollars (\$500.00) in investigation costs in this matter.

CONCLUSIONS OF LAW

1. Neb. Rev. Stat. § 45-908 (Reissue 2010) 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 (Reissue 2010) 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. § 45-915.01(1) (Reissue 2010) provides that a licensee shall keep or make available the books and records relating to transactions made under the Delayed Deposit Services Licensing Act as are necessary to enable the Department to determine whether the licensee is complying with the Act. The books and records shall be maintained in a manner consistent with accepted accounting practices.

4. The facts set forth in Finding of Fact No. 7 constitute one violation of Neb. Rev. Stat. § 45-915.01 (Reissue 2010).

5. The facts set forth in Finding of Fact No. 8 constitute twenty-six separate repeat violations of Neb. Rev. Stat. § 45-915.01 (Reissue 2010) as noted in the 2013 Exam and corresponding Consent Agreement, and in the 2014 Exam and corresponding Order.

6. Neb. Rev. Stat. § 45-919(1)(g) (Reissue 2010) provides that no licensee shall enter into another delayed deposit transaction with the same maker on the same business day as the

completion of a delayed deposit transaction unless prior to entering into the transaction the maker and the licensee verify on a form prescribed by the Department that completion of the prior delayed deposit transaction has occurred. The Department has prescribed the SDTVF for this purpose.

7. The facts set forth in Finding of Fact No. 9 constitute seven separate repeat violations of Neb. Rev. Stat. § 45-919(1)(g) (Reissue 2010) and Neb. Rev. Stat. § 45-915.01 (Reissue 2010) as noted in the 2013 Exam and corresponding Consent Agreement, and in the 2014 Exam and corresponding Order.

8. Neb. Rev. Stat. § 45-925 (Reissue 2010) 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.

9. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that FCFS 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 (Reissue 2010).

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

11. It is in the best interest of FCFS, and it is in the best interest of the public, for FCFS and the Department to resolve the issues included herein.

CONSENT AGREEMENT

The Department and FCFS agree as follows:

Stipulations: In connection with this Consent Agreement, FCFS 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 August 10, 2015 examination of FCFS's Scottsbluff, Scotts Bluff County, Nebraska location. 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.

FCFS further represents as follows:

1. FCFS 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. FCFS 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 days after the effective date of this Consent Agreement, FCFS shall pay a fine of Two Hundred Dollars (\$200.00) for the one instance where FCFS failed to provide a record to the Department examiners in violation of Neb. Rev. Stat. § 45-915.01 (Reissue 2010).
2. Within ten days after the effective date of this Consent Agreement, FCFS shall pay a fine of Four Hundred Dollars (\$400.00) for each of the twenty-six instances where FCFS failed

to properly maintain customer records in its second repeat violation of Neb. Rev. Stat. § 45-915.01 (Reissue 2010).

3. Within ten days after the effective date of this Consent Agreement, FCFS shall pay a fine of Two Hundred Dollars (\$200.00) for each of the seven instances where FCFS failed to obtain correctly completed SDTVFs in its second repeat violation of Neb. Rev. Stat. § 45-919(1)(g) (Reissue 2010) and Neb. Rev. Stat. § 45-915.01 (Reissue 2010).

4. Within ten days after the effective date of this Consent Agreement, FCFS shall pay the Department's investigation costs in the amount of Five Hundred Dollars (\$500.00).

5. The total amount of the fine, Twelve Thousand Dollars (\$12,000.00), 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 Twelve Thousand Five Hundred Dollars (\$12,500.00) to the Department.


6. In the event FCFS fails to comply with any of the provisions of this Consent Agreement, the Department may commence such action regarding FCFS as it deems necessary and appropriate in the public interest.

7. If, at any time, the Department determines FCFS has committed any other violations of the Act, the Department may take any action available to it under the Act.

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

DATED this 24th day of February, 2014


**FCFS CO, INC.
D/B/A FIRST CASH PAWN
D/B/A MISTER MONEY**

By:  , Sec
Robert Douglas Orr, Jr., Secretary

690 East Lamar Boulevard, Suite 400
Arlington, Texas 76011

DATED this 29 day of Febr., 2016.

**STATE OF NEBRASKA
DEPARTMENT OF BANKING AND FINANCE**

By: 
Mark Quandahl, Director

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