

Terms Completed

**CONSENT ORDER SUMMARY – Case Number: C-05-099**

**Name(s):** David M. Dunkley  
 \_\_\_\_\_  
 \_\_\_\_\_

**Order Number:** C-05-099-11-CO01  
 \_\_\_\_\_

**Effective Date:** April 7, 2011  
 \_\_\_\_\_

**License Number:** N/A  
(Revoked, suspended, stayed, application denied or withdrawn)  
 If applicable, you must specifically note the ending dates of terms.

**License Effect:** N/A  
 \_\_\_\_\_  
 \_\_\_\_\_

**Not Apply Until:** April 7, 2014  
 \_\_\_\_\_

**Prohibition/Ban Until:** N/A  
 \_\_\_\_\_

<b>Investigation Costs</b>	\$5,000	Due	Paid Y	Date Paid 4/7/11
<b>Fine</b>	\$45,000	Due	Paid Y	Date Paid 4/7/11
<b>Assessment(s)</b>	\$	Due	Paid Y    N	Date
<b>Restitution</b>	\$	Due	Paid Y    N	Date
	No. of Victims:			

**Other:** \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Special Instructions:** \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
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Distribution: Original to Enforcement File  
 Copy to Licensing Supervisor with Licensing File and copy of Consent Order  
 Information to Database(s) – Branch, Individual, Contact Person

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Check Cashers and Sellers Act of Washington by:

NO. C-05-099-11-CO01

QUIK PAYDAY, INC., and  
DAVID M. DUNKLEY, President, CEO, and  
Owner,

CONSENT ORDER - DAVID M. DUNKLEY

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and David M. Dunkley, formerly President, CEO, and Owner of Quik Payday, Inc. (Respondent Dunkley), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 31.45 of the Revised Code of Washington (RCW) and RCW 34.05.060 of the Administrative Procedure Act based on the following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent Dunkley have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-05-099-09-SC01 (Statement of Charges), entered January 26, 2009, (copy attached hereto), solely as they relate to Respondent Dunkley. Pursuant to chapter 31.45 RCW, the Check Cashers and Sellers Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent Dunkley hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges solely as they relate to Respondent Dunkley. Respondent Dunkley is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

CONSENT ORDER  
C-05-099-11-CO01  
David M. Dunkley

1

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
150 Israel Rd SW  
PO Box 41200  
Olympia, WA 98504-1200

1 A. Jurisdiction. It is AGREED that the Department has jurisdiction over the subject matter of the  
2 activities discussed herein.

3 B. Waiver of Hearing. It is AGREED that Respondent Dunkley has been informed of the right to a  
4 hearing before an administrative law judge, and hereby waives his right to a hearing and any and all administrative  
5 and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly,  
6 Respondent Dunkley, by his signature below, withdraws his appeal to the Office of Administrative Hearings.

7 C. No Admission of Liability. It is AGREED that Respondent Dunkley neither admits nor denies any  
8 wrongdoing by entry of this Consent Order.

9 D. Agreement not to Apply. It is AGREED that Respondent Dunkley, individually or in the capacity as  
10 an owner, principal, share holder, or holder of any other type of ownership interest, shall not apply for any license  
11 issued by the Department for three years from the date of entry of this Consent Order.

12 E. Fine. It is AGREED that Respondent Dunkley shall pay to the Department a fine of \$45,000 in the  
13 form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent Order.

14 F. Investigation Fee. It is AGREED that Respondent Dunkley shall pay to the Department an  
15 investigation fee of \$5,000 in the form of a cashier's check made payable to the "Washington State Treasurer"  
16 upon entry of this Consent Order. The Fine and Investigation Fee may be paid together in one \$50,000 cashier's  
17 check made payable to the "Washington State Treasurer."

18 G. Non-Compliance with Order. It is AGREED that Respondent Dunkley understands that failure  
19 to abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In  
20 the event of such legal action, Respondent Dunkley may be responsible to reimburse the Director for the cost  
21 incurred in pursuing such action, including but not limited to, attorney fees.

22 H. Voluntarily Entered. It is AGREED that Respondent Dunkley has voluntarily entered into this  
23 Consent Order, which is effective when signed by the Director's designee.

1 I. Completely Read, Understood, and Agreed. It is AGREED that Respondent Dunkley has read this  
2 Consent Order in its entirety and fully understands and agrees to all of the same.

3 RESPONDENT:

4 [Redacted]

5 David M. Dunkley

04/01/11  
Date

6 [Redacted]

7 Matt Neiderman  
8 Attorney at Law  
Attorney for Respondent

04/05/11  
Date

9 DO NOT WRITE BELOW THIS LINE

10 THIS ORDER ENTERED THIS 9<sup>th</sup> DAY OF April, 2011.



11 [Redacted]

12 DEBORAH BORTNER  
13 Director  
14 Division of Consumer Services  
Department of Financial Institutions

15 Presented by:

16 [Redacted]

17 STEVEN C. SHERMAN  
18 Financial Legal Examiner

19 Approved by:

20 [Redacted]

21 JAMES R. BRUSSELBACK  
22 Enforcement Chief

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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Check Cashers and Sellers Act of Washington  
by:

QUIK PAYDAY, INC., and  
DAVID M. DUNKLEY, President, CEO, and  
Owner,

Respondents.

NO. C-05-099-09-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO BAN FROM INDUSTRY,  
IMPOSE FINE, AND COLLECT  
INVESTIGATION FEE

**INTRODUCTION**

Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation pursuant to RCW 31.45.100, and based upon the facts available as of the date of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

A. **Quik Payday, Inc. (Quik Payday)**, is known to have conducted the business of a check casher with a small loan endorsement (payday lender) via the internet. Respondent Quik Payday has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a payday lender. Respondent Quik Payday has no know physical locations.



1 **2.4 Requirement to Obtain a Check Casher License.** Based on the Factual Allegations set forth  
2 in Section I above, Respondents are in apparent violation of RCW 31.45.030(1) for engaging in the  
3 business of a check casher without first obtaining a license from the Director.

4 **2.5 Requirement to Obtain a Small Loan Endorsement.** Based on the Factual Allegations set  
5 forth in Section I above, Respondents are in apparent violation of RCW 31.45.073(1) for engaging in  
6 the business of making small loans without first obtaining a small loan endorsement from the Director.

7 **2.6 Statutory Maximum Interest or Fees on Small Loan.** Based on the Factual Allegations set  
8 forth in Section I above, Respondents are in apparent violation of RCW 31.45.073(3) for charging  
9 interest or fees for small loans exceeding in the aggregate fifteen percent of the first five hundred  
10 dollars of principal.  
11

### 12 **III. AUTHORITY TO IMPOSE SANCTIONS**

13 **3.1 Authority to Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the Director may  
14 ban from participation in the conduct of the affairs of any licensee any director, officer, sole  
15 proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the  
16 Act, including rules and orders.

17 **3.2 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a  
18 fine, not to exceed one hundred dollars per day for each day's violation of the Act, on any licensee, or  
19 any director, officer, sole proprietor, partner, controlling person, or employee of a licensee that is  
20 violating or has violated the Act, including rules and orders.

21 **3.3 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order  
22 any licensee, or any director, officer, sole proprietor, partner, controlling person, or employee of a  
23 licensee to pay restitution to borrowers damaged by the licensee's violation of this chapter.  
24  
25

1 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC  
2 208-630-015, WAC 208-630-020, WAC 208-630-023 and WAC 208-630-02303, the Director shall  
3 collect from the licensee the actual cost of an investigation of the business, books, accounts, records, files,  
4 or other information of a licensee or person who the Director has reason to believe is engaging in the  
5 business governed by the Act. The investigation charge will be calculated at the rate of \$69.01 per hour  
6 that each staff person devoted to the investigation, plus actual expenses.

7  
8 **IV. NOTICE OF INTENTION TO ENTER ORDER**

9 Respondents' violations of the provisions of chapter 31.45 RCW and chapter 208-630 WAC, as  
10 set forth in the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the entry  
11 of an Order under RCW 31.45.110 and RCW 31.45.200. Therefore, it is the Director's intention to

12 ORDER that:

- 13 **4.1** Respondent Quik Payday, Inc., be banned from participation in the conduct of the affairs of any  
14 check casher or check casher with a small loan endorsement subject to licensure by the Director,  
in any manner, for a period of five years; and
- 15 **4.2** Respondent David M. Dunkley be banned from participation in the conduct of the affairs of any  
16 check casher or check casher with a small loan endorsement subject to licensure by the Director,  
in any manner, for a period of five years; and
- 17 **4.3** Respondents Quik Payday, Inc., and David M. Dunkley jointly and severally pay a fine which as  
18 of the date of these charges totals \$250,000 ; and
- 19 **4.4** Respondents Quik Payday, Inc., and David M. Dunkley jointly and severally pay restitution to  
20 those borrowers who paid fees in excess of the statutory maximum in an amount to be determined  
at a later time; and
- 21 **4.5** Respondents Quik Payday, Inc., and David M. Dunkley jointly and severally pay an investigation  
22 fee which as of the date of these charges totals \$4,830.70, calculated at \$69.01 per hour for  
seventy staff hours devoted to the investigation to date.

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1 **IV. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Ban from Industry,  
3 Impose Fine, and Collect Investigation Fee (Statement of Charges) is entered pursuant to the  
4 provisions of RCW 31.45.110 and RCW 31.45.200, and is subject to the provisions of chapter 34.05  
5 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as  
6 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING  
7 accompanying this Statement of Charges.  
8

9 Dated this 26<sup>th</sup> day of January, 2009.  
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13 DEBORAH BORTNER  
14 Director  
15 Division of Consumer Services  
16 Department of Financial Institutions

17 Presented by:



18 STEVEN C. SHERMAN  
19 Financial Legal Examiner



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21 Approved by:



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23 JAMES R. BRUSSELBACK  
24 Enforcement Chief