



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

NO. C-07-533-11-FO03

PACIFIC CHECKS, INC. and CHARLES C.
SEIL,

FINAL ORDER TO CEASE AND DESIST

Respondents.

I. DIRECTOR'S CONSIDERATION

A. Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Deborah Bortner, pursuant to RCW 34.05.440(1). On May 27, 2010, the Director, through Consumer Services Division Director Deborah Bortner, entered a Temporary Order to Cease and Desist against Respondents Pacific Checks, Inc. and Charles C. Seil (Temporary Order to Cease and Desist). A copy of the Temporary Order to Cease and Desist is attached and incorporated into this order by this reference. The Temporary Order to Cease and Desist was accompanied by a cover letter dated May 27, 2010, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C. Seil. The Department served the Temporary Order to Cease and Desist, cover letter dated May 27, 2010, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C. Seil on Respondents on May 27, 2010, by First-Class mail via the United States Postal Service and Federal Express overnight delivery. On May 28, 2010, the

1 documents sent via Federal Express overnight delivery were delivered. The documents sent via First-
2 Class mail were not returned to the Department by the United States Postal Service.

3 On July 9, 2010, the Director's designee entered a Final Order to Cease and Desist against
4 Respondents Pacific Checks, Inc. and Charles C. Seil. The Final Order to Cease and Desist was
5 accompanied by a cover letter dated July 14, 2010, and was served on Pacific Checks and Seil on July
6 14, 2010, via the USPS First-Class mail and Federal Express. The documents sent via First-Class mail
7 were not returned to the Department by the USPS. The documents sent via Federal Express were
8 delivered on July 16, 2010.

9 Respondents had ten days from the date of service of the Final Order to Cease and Desist to file
10 a Petition for Reconsideration.

11 On July 26, 2010, Respondents Pacific Checks, Inc., and Charles C. Seil submitted a request
12 for reconsideration of the Final Order to Cease and Desist stating that Respondents did not receive the
13 Temporary Order to Cease and Desist due to a hospital stay that spanned the time in which the
14 Temporary Cease and Desist was served on Respondents.

15 On December 1, 2010, the Director's designee issued an Order Granting Petition for
16 Reconsideration, Dissolving Final Order, Remanding Case for Further Disposition of Temporary
17 Cease and Desist Order, and Establishing New Deadline for Making Application for Hearing (Order
18 Granting Petition for Reconsideration). The Order Granting Petition for Reconsideration stated that
19 "Respondents shall have twenty (20) days from the service by mail of this Order to make application
20 with the Division for an adjudicative hearing, as provided for in the Temporary C&D Order." The
21 Order Granting Petition for Reconsideration served on Respondents via First-Class mail and Federal
22 Express Overnight Delivery. The Order Granting Petition for Reconsideration was accompanied by a
23 cover letter dated December 1, 2010, that stated to Respondents that "you have until December 21,
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1 2010, to file with the Division of Consumer Services a new application for adjudicative hearing at the
2 above address.”

3 Respondents did not request an adjudicative hearing within twenty calendar days after the
4 Department served them with the Order Granting Petition for Reconsideration.

5 B. Record Presented. The record presented to the Director’s designee for her review and
6 for entry of a final decision included the following:

- 7 1. Temporary Order to Cease and Desist;
- 8 2. Cover letter dated May 27, 2010;
- 9 3. Notice of Opportunity to Defend and Opportunity for Hearing;
- 10 4. Blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C. Seil, with documentation of service;
- 11 5. Final Order to Cease and Desist;
- 12 6. Cover letter dated July 14, 2010;
- 13 7. Declaration of Services dated July 14, 2010;
- 14 8. Respondent’s Request for Reconsideration;
- 15 9. Order Granting Petition for Reconsideration, Dissolving Final Order, Remanding Case for Further Disposition of Temporary Cease and Desist Order, and Establishing New Deadline for Making Application for Hearing;
- 16 10. Cover letter date December 1, 2010; and
- 17 11. Certificate of Service dated December 1, 2010.

18 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
19 Director’s designee hereby adopts the Temporary Order to Cease and Desist, which is attached hereto.

20 II. FINAL ORDER

21 Based upon the foregoing, and the Director’s designee having considered the record and
22 being otherwise fully advised, NOW, THEREFORE:

23 A. IT IS HEREBY ORDERED, That Respondents Pacific Checks, Inc. and Charles C. Seil
24 shall permanently cease and desist conducting all activity that requires licensure under RCW 31.45,
25 except as provided in RCW 31.45.093(4).

1 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
2 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
3 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
4 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
5 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
6 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
7 Reconsideration a prerequisite for seeking judicial review in this matter.

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9 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
10 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
11 notice specifying the date by which it will act on a petition.

12 C. Stay of Order. The Director's designee has determined not to consider a Petition
13 to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
14 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

15 D. Judicial Review. Respondents have the right to petition the superior court for
16 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
17 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

18 E. Non-compliance with Order. If you do not comply with the terms of this order, the
19 Department may seek its enforcement by the Office of Attorney General.

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21 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
22 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
23 attached hereto.

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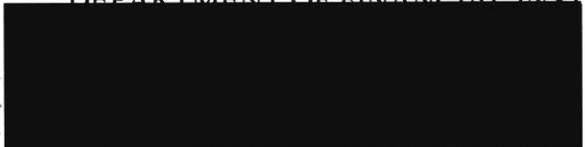
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DATED this 1st day of February, 2011.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS



DEBORAH BORTNER
DIRECTOR
DIVISION OF CONSUMER SERVICES



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

PACIFIC CHECKS, INC. and CHARLES C.
SEIL,

Respondents.

NO. C-07-533-10-FO01

FINAL ORDER TO CEASE AND DESIST

I. DIRECTOR'S CONSIDERATION

A. Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Deborah Bortner, pursuant to RCW 34.05.440(1). On May 27, 2010, the Director, through Consumer Services Division Director Deborah Bortner, entered a Temporary Order to Cease and Desist against Respondents Pacific Checks, Inc. and Charles C. Seil (Temporary Order to Cease and Desist). A copy of the Temporary Order to Cease and Desist is attached and incorporated into this order by this reference. The Temporary Order to Cease and Desist was accompanied by a cover letter dated May 27, 2010, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C. Seil. The Department served the Temporary Order to Cease and Desist, cover letter dated May 27, 2010, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C. Seil on Respondents on May 27, 2010, by First-Class mail via the United States Postal Service and Federal Express overnight delivery. On May 28, 2010, the

1 documents sent via Federal Express overnight delivery were delivered. The documents sent via First-
2 Class mail were not returned to the Department by the United States Postal Service.

3 Respondents Pacific Checks, Inc. and Charles C. Seil did not request an adjudicative hearing
4 within twenty calendar days after the Department served them with the Notice of Opportunity to
5 Defend and Opportunity for Hearing, as provided for in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for her review and
7 for entry of a final decision included the following:

- 8 1. Temporary Order to Cease and Desist;
- 9 2. Cover letter dated May 27, 2010;
- 10 3. Notice of Opportunity to Defend and Opportunity for Hearing; and
- 11 4. Blank Applications for Adjudicative Hearing for Pacific Checks, Inc. and Charles C.
Seil, with documentation of service.

12 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
13 Director's designee hereby adopts the Temporary Order to Cease and Desist, which is attached hereto.

14 II. FINAL ORDER

15 Based upon the foregoing, and the Director's designee having considered the record and
16 being otherwise fully advised, NOW, THEREFORE:

17 A. IT IS HEREBY ORDERED, That Respondents Pacific Checks, Inc. and Charles C. Seil
18 shall permanently cease and desist conducting all activity that requires licensure, except as provided in
19 RCW 31.45.093(4).

20 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
21 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
22 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
23 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
24 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
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1 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
2 Reconsideration a prerequisite for seeking judicial review in this matter.

3 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
4 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
5 notice specifying the date by which it will act on a petition.

6 C. Stay of Order. The Director's designee has determined not to consider a Petition
7 to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
8 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

9 D. Judicial Review. Respondents have the right to petition the superior court for
10 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
11 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

12 E. Non-compliance with Order. If you do not comply with the terms of this order, the
13 Department may seek its enforcement by the Office of Attorney General.

14 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
15 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
16 attached hereto.
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18 DATED this 9th day of July, 2010.

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20 STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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23 DEBORAH BORTNER
DIRECTOR
DIVISION OF CONSUMER SERVICES
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3 **STATE OF WASHINGTON**
4 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
5 **CONSUMER SERVICES DIVISION**

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

C-07-533-10-TD01

9 PACIFIC CHECKS, INC. and CHARLES C.
10 SEIL, President and Owner,

TEMPORARY ORDER TO
CEASE AND DESIST

Respondents.

11 THE STATE OF WASHINGTON TO: PACIFIC CHECKS, INC.
12 CHARLES C. SEIL

13 COMES NOW the Director of the Washington State Department of Financial Institutions
14 (Director), by and through his designee Deborah Bortner, Division Director, Division of Consumer
15 Services, and finding that the public is likely to be substantially injured by delay in issuing a cease and
16 desist order, the Director, through his designee, enters this temporary cease and desist order pursuant to
17 chapter 31.45 RCW, the Check Cashers and Sellers Act (Act), based on the following findings:

18 **I. FACTUAL FINDINGS**

19 **1.1 Respondents.**

20 A. **Respondent Pacific Checks, Inc., (Pacific Checks)** was licensed by the Department of
21 Financial Institutions of the State of Washington (Department) to conduct business as a check casher
22 with a small loan endorsement on or about January 15, 1992. By Consent Order C-07-533-09-CO01
23 (Consent Order) issued on June 18, 2009, Respondents resolved Statement of Charges C-07-533-08-
24 SC01. Respondents agreed to various terms as set forth in the Consent Order (attached). Respondent
25 Pacific Checks' license was suspended effective April 16, 2010, and expired effective May 15, 2010.

1 B. **Respondent Charles C. Seil (Seil)** is President and 91% Owner of Respondent Pacific
2 Checks.

3 **1.2 Non-Payment of Annual Assessment.** Pursuant to RCW 31.45.050, if a licensee does not
4 pay its annual assessment fee by April 15, the Department shall send the licensee a notice of
5 suspension and assess the licensee a late fee. The licensee's payment of both the annual assessment fee
6 and the late fee must arrive in the Department's offices within ten days after April 15. If the payment
7 of both the annual assessment fee and the late fee does not arrive prior to such date, then the licensee's
8 license will expire thirty days after April 15.

9 **1.3 Suspended License and Non-Compliance with Directive.** The Department sent a Notice of
10 License Suspension to Respondents on April 20, 2010, that stated, "This notice is a directive to
11 discontinue business until the required items are delivered and any fees owed are paid." To date,
12 Respondents have not provided the Department with the required items and fees.

13 **1.4 Continuation of Business After Suspension and Expiration.** From May 10, 2010, through
14 May 13, 2010, the Department conducted an on-site examination at two Pacific Checks' locations. On
15 at least these dates Pacific Checks was accepting consumer payments on payday loans. A sign has
16 been posted at Pacific Checks' Tacoma location located at 3833 Pacific Avenue, Tacoma, Washington
17 98408 stating "This location is now closed. Our Midway location can assist you with loan payoffs
18 only."

19 **1.5 Ceased Making Small Loans.** Respondents ceased making small loans on or about April 4,
20 2010.

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1 **1.6 Failure to Submit Plan for Veritec Solutions, LLC,¹ (Veritec) Reporting.** To date,
2 Respondents have not provided the Department with a plan for continuing compliance with the
3 requirement to report small loan activity in the Veritec system.

4 **1.7 Substantial Injury to Public.** One effect of the above-described conduct is that consumers
5 are unknowingly doing business with an unlicensed business.

6 **II. GROUNDS FOR ENTRY OF ORDER**

7 **2.1 Unlicensed Activity.** Based on the Factual Allegations set forth in Section I above, Respondents
8 are in apparent violation of RCW 31.45.030 and .050 for failing to obtain and maintain a license.

9 **2.2 Failure to Provide Reporting Plan.** Based on the Factual Allegations set forth in Section I
10 above, Respondents are in violation of RCW 31.45.093(4) for failing to submit a plan, within tens days
11 after ceasing to make loans, for continuing Respondents' statutory requirement to enter and update all
12 required information for any loans subject to this chapter that are outstanding or have not yet expired
13 after the date on which the licensee no longer has the license or small loan endorsement required by this
14 chapter.

15 **2.3 Failure to Pay Annual Assessment.** Based on the Factual Allegations set forth in Section I
16 above, Respondents are in apparent violation of RCW 31.45.050 and WAC 208-630-8301 for failing to
17 pay the 2009 annual assessment by April 15, 2010.

18 **2.4 Failure to Comply with Directive.** Based on the Factual Allegations set forth in Section I
19 above, Respondents are in apparent violation of RCW 31.45.100 for failing to comply with the
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24 ¹ Pursuant to RCW 31.45.093, the Department was required to contract with a vendor or service provider or
25 otherwise, develop and implement a system by means of which a licensee may determine certain
information as required by the Act. Licensees are required to consult and update this information system
when a small loan is made, paid, or in default. WAC 208-630-556. The service provider that the
Department contracted with for this information system is Veritec.

1 Department's directive to "discontinue business until the required items are delivered and any fees owed
2 are paid."

3 **2.5 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above,
4 Respondents are in apparent violation of RCW 31.45.110(1)(b) and WAC 208-630-8201(b) for
5 directly or indirectly engaging in any unfair or deceptive practice toward any person.

6 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

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8 **3.1 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW 31.45.120,
9 whenever the director determines that a violation of the Act or Rules, or their continuation, is likely to
10 cause substantial injury to the public, the director may issue a Temporary Cease and Desist order
11 requiring the licensee to cease and desist from the violation or practice. The order becomes effective
12 upon service upon the licensee and remains effective unless set aside, limited, or suspended by a court
13 under RCW 31.45.130 pending the completion of the administrative proceedings under the notice and
14 until such time as the director dismisses the charges specified in the notice or until the effective date of
15 the cease and desist order issued against the licensee under RCW 31.45.110.

16 **IV. ORDER**

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18 Based on the above Factual Findings, Grounds for Entry of Order, and Authority to Issue
19 Temporary Order to Cease and Desist, and pursuant to RCW 31.45.120 and RCW 31.45.110(1)(b), the
20 Director determines the acts and conduct of Respondents, and the continuation of such conduct, is
21 likely to cause substantial injury to the public. Therefore, the Director ORDERS that:

22 **4.1** Respondent Pacific Checks, Inc. and Respondent Charles C. Seil shall immediately
23 cease and desist from conducting all activity that requires licensure, except as provided in RCW
24 31.45.093(4).
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DATED this 27th day of May, 2010.

[Redacted Signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted Signature]

DEBORAH PINSÓNNEAULT
Financial Legal Examiner



Approved by:

[Redacted Signature]

JAMES R. BRUSSELBACK
Enforcement Chief