



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:

MERTROSE INC. d/b/a CASH PLUS, and MERTON  
HARVEY ROSENBERG, President and Owner,

Respondents.

NO. C-09-085-09-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Default. 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 22, 2009, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Ban from Industry, Impose Fine, Collect Examination and Investigation Fees (Statement of Charges). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated May 27, 2009, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents. The Department served the Statement of Charges, cover letter dated May 27, 2009, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing on Respondents on May 27, 2009, by First-Class mail and Federal Express overnight delivery<sup>1</sup>. The documents sent to the

<sup>1</sup> The documents were sent to 3 addresses, 2315 N. Pearl St. Ste. A6, Tacoma, WA 98406 (business address), 9136 Dalwood Rd. SW, Lakewood, WA 98499 (business address), and the Respondents' registered agent at Shillito & Giske PS 1919 N. Pearl St. Ste C2 Tacoma, WA 98406 (registered agent).

1 Respondents' business addresses via Federal Express overnight delivery were returned to the  
2 Department as undeliverable. The documents sent to the Respondents' business addresses via First-  
3 Class mail were returned to the Department as undeliverable. The documents sent to the Respondents'  
4 registered agent via Federal Express were delivered on May 28, 2009. The documents sent to the  
5 Respondents' registered agent via First-Class mail were not returned to the Department.

6 Respondents did not request an adjudicative hearing within twenty calendar days after the  
7 Department served them with the Notice of Opportunity to Defend and Opportunity for Hearing, as  
8 provided for in WAC 208-08-050(2).  
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10 B. Record Presented. The record presented to the Director's designee for her review and  
11 for entry of a final decision included the Statement of Charges, cover letter dated May 27, 2009, Notice of  
12 Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for  
13 Respondents, with documentation of service.

14 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1) the  
15 Director's designee hereby adopts the Statement of Charges, which is attached hereto.  
16

## 17 II. FINAL ORDER

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

20 A. IT IS HEREBY ORDERED, That:

21 4.1 Respondent Mertrose Inc. d/b/a Cash Plus's license to conduct the business of a check  
22 seller and check casher with a small loan endorsement be revoked;

23 4.2 Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey Rosenberg jointly and  
24 severally pay a fine of \$9,000;  
25

- 1           **4.3**    Respondent Mertrose Inc. d/b/a Cash Plus be banned from participation in the conduct of  
2            the affairs of any check casher or check casher with a small loan endorsement or check  
3            seller subject to licensure by the Director, in any manner, for a period of 5 years;
- 4           **4.4**    Respondent Merton Harvey Rosenberg be banned from participation in the conduct of the  
5            affairs of any check casher or check casher with a small loan endorsement or check seller  
6            subject to licensure by the Director, in any manner, for a period of 5 years;
- 7           **4.5**    Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey jointly and severally pay  
8            an examination fee of \$1,308.50, calculated at \$69 per hour for the 14.75 staff hours  
9            devoted to the examination (\$1,017.75 examination fee plus \$290.75 in accrued interest);  
10           and
- 11           **4.6**    Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey jointly and severally pay  
12            an investigation fee of \$1,035.15, calculated at \$69.01 per hour for the 15 staff hours  
13            devoted to the investigation.

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

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

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

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

4 E. Non-compliance with Order. If you do not comply with the terms of this order, the  
5 Department may seek its enforcement by the Office of Attorney General to include the collection of the  
6 fines, fees and restitution imposed herein.

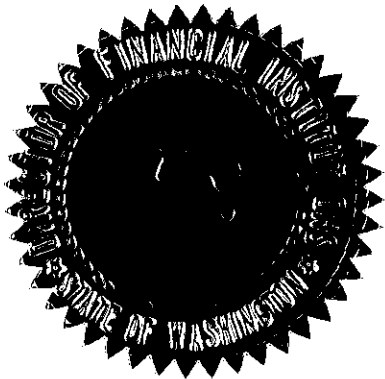
7 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for  
8 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
9 attached hereto.

10  
11 DATED this 1<sup>st</sup> day of September, 2009.

12 STATE OF WASHINGTON  
13 DEPARTMENT OF FINANCIAL INSTITUTIONS

14 

15 DEBORAH BORTNER  
16 DIRECTOR  
17 DIVISION OF CONSUMER SERVICES



**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:

MERTROSE INC. d/b/a CASH PLUS, and  
MERTON HARVEY ROSENBERG, President  
and Owner,

Respondents.

NO. C-09-085-09-SC01

STATEMENT OF CHARGES and NOTICE  
OF INTENTION TO ENTER AN ORDER TO  
REVOKE LICENSE, BAN FROM INDUSTRY,  
IMPOSE FINE, COLLECT EXAMINATION  
AND INVESTIGATION FEES

**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. **Mertrose Inc. d/b/a Cash Plus (Mertrose)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a check casher with a small loan endorsement and a check seller on October 5, 1999, and has continued to be licensed to date. Respondent Mertrose is licensed to conduct the business of a check casher with a small loan endorsement and a check seller at 2315 N. Pearl St., Suite A6, Tacoma, Washington.

B. **Merton H. Rosenberg (Rosenberg)** is the President and Owner of Respondent Mertrose.

**1.2 Failure to Pay Examination Fees.** On July 27, 2006, the Department conducted a routine examination of Respondent Mertrose. On September 13, 2006, the Department sent an invoice in the amount of \$1,017.75 to Respondent Mertrose for the cost of the examination. The invoice was to be paid in full by October 13, 2006. The Department continued to send monthly invoices to Respondent Mertrose through

1 September 2007. Respondent Mertrose has not paid the amount due for the examination plus interest, which as  
2 of the date of these charges totals \$1,308.50.

3 **1.3 Failure to Maintain Bond.** On January 15, 2008, the Department received notice from The Hartford  
4 Fire Insurance Company that Respondent Mertrose's surety bond would be cancelled, effective February 18,  
5 2008. To date, Respondents have failed to provide the Department the required surety bond or an approved  
6 alternative.

7 **1.4 Failure to Comply with Investigation.** On January 29, 2008, the Department issued a Directive to  
8 Respondent Mertrose directing it to replace or reinstate the bond within 10 days. To date, Respondents have  
9 failed to comply with the Directive. On December 3, 2007, the Department issued a Directive to Respondent  
10 Mertrose directing it to provide the Department with payment for the examination fees outlined in paragraph 1.2  
11 by December 14, 2007. The Directive was delivered via Federal Express on December 4, 2007. To date, the  
12 Respondents have failed to comply with the Directive.

13 **1.5 Failure to File Annual Reports and Annual Assessments.** The Respondents were required to submit  
14 an annual report and pay any assessment due for the calendar year 2008. The Respondents were to submit the  
15 report and assessment by April 15, 2009, but have failed to do so.

16 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
17 Respondents continues to date.

## 18 II. GROUNDS FOR ENTRY OF ORDER

19 **2.1 Requirement to Pay Examination Fee.** Based on the Factual Allegations set forth in Section I above,  
20 Respondents are in apparent violation of RCW 31.45.100 for failing to pay the director the cost of the  
21 examination conducted by the Department.

22 **2.2 Requirement to Maintain Surety Bond.** Based on the Factual Allegations set forth in Section I  
23 above, Respondents are in apparent violation of RCW 31.45.030(5) and WAC 208-630-030 for failing to file  
24 and maintain a surety bond or approved alternative with the Department.

1 **2.3 Requirement to Comply with Investigation.** Based on the Factual Allegations set forth in Section I  
2 above, Respondents are in apparent violation of RCW 31.45.100 and WAC 208-630-320 for failing to comply  
3 with the Department's investigation authority.

4 **2.4 Requirement to File Annual Report and Assessment.** Based on the Factual Allegations set forth in  
5 Section I above, Respondents are in apparent violation of RCW 31.45.090 and WAC 208-630-400 for failing to  
6 file with the Director an annual report, and pay an annual assessment, by April 16, 2009.

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

9 **3.1 Authority to Revoke License.** Pursuant to RCW 31.45.110(2)(a), the Director may revoke a license if  
10 a licensee is violating or has violated the Act including rules and orders, or commits any act or engages in  
11 conduct that demonstrates incompetence or untrustworthiness, or is a source of injury or loss to the public.

12 **3.2 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110(2) (e), the Director  
13 may remove from office or ban from participation in the conduct of the affairs of any licensee any director,  
14 officer, sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the  
15 Act including rules and orders, or commits any act or engages in conduct that demonstrates incompetence or  
16 untrustworthiness, or is a source of injury or loss to the public.

17 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a fine, not to  
18 exceed one hundred dollars per day for each day's violation of the Act, on any licensee or applicant, or any  
19 director, officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant, that is  
20 violating or has violated the Act including rules and orders, or commits any act or engages in conduct that  
21 demonstrates incompetence or untrustworthiness, or is a source of injury or loss to the public.

22 **3.4 Authority to Collect Examination and Investigation Fees.** Pursuant to RCW 31.45.100 and WAC 208-  
23 630-350 and 380, the Director shall collect from the licensee the actual cost of an examination or investigation of  
24 the business, books, accounts, records, files, or other information of a licensee or person who the Director has  
25

1 reason to believe is engaging in the business governed by the Act. The investigation charge will be calculated at the  
2 rate of sixty-nine dollars (\$69) per hour that each staff person devoted to the investigation, plus actual expenses.

#### 3 IV. NOTICE OF INTENTION TO ENTER ORDER

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

- 7 **4.1** Respondent Mertrose Inc. d/b/a Cash Plus's license to conduct the business of a check seller check  
8 cashier with a small loan endorsement be revoked;
- 9 **4.2** Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey Rosenberg jointly and severally pay a  
10 fine, which as of the time of these charges totals \$9,000;
- 11 **4.3** Respondent Mertrose Inc. d/b/a Cash Plus be banned from participation in the conduct of the affairs of any  
12 check cashier or check cashier with a small loan endorsement or check seller subject to licensure by the  
13 Director, in any manner, for a period of 5 years;
- 14 **4.4** Respondent Merton Harvey Rosenberg be banned from participation in the conduct of the affairs of any  
15 check cashier or check cashier with a small loan endorsement or check seller subject to licensure by the  
16 Director, in any manner, for a period of 5 years;
- 17 **4.5** Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey jointly and severally pay an examination  
18 fee which at the time of these charges totals \$1,308.50, calculated at \$69 per hour for the 14.75 staff hours  
19 devoted to the examination (\$1,017.75 examination fee plus \$290.75 in accrued interest); and
- 20 **4.6** Respondents Mertrose Inc. d/b/a Cash Plus and Merton Harvey jointly and severally pay an investigation  
21 fee which at the time of these charges totals \$1,035.15, calculated at \$69.01 per hour for the 15 staff hours  
22 devoted to the investigation.

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#### IV. AUTHORITY AND PROCEDURE

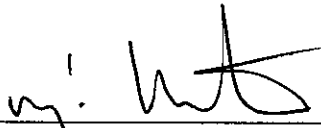
This Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Ban from Industry, Impose Fine, and Collect Examination and Investigation Fees (Statement of Charges) is entered pursuant to the provisions of RCW 31.45.110 and RCW 31.45.200, and is subject to the provisions of chapter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

Dated this 22<sup>nd</sup> day of May, 2009.



DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:



WILLIAM HALSTEAD  
Financial Legal Examiner

Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief

