

ORDER SUMMARY – Case Number: C-11-0635

Name(s): First National Services LLC d/b/a Payday-Loan-Yes d/b/a ABC Payday Loan; Vincent Ventriglia

Order Number: C-11-0635-13-FO01

Effective Date: March 22, 2013

License Number: N/A

Or NMLS Identifier [U/L]

(Revoked, suspended, stayed, application denied or withdrawn)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: March 22, 2018

Not Eligible Until:

Prohibition/Ban Until: March 22, 2018

Investigation Costs	\$5,175	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$249,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments:

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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:

No.: C-11-0635-13-FO01

FIRST NATIONAL SERVICES LLC d/b/a ABC
PAYDAY LOAN d/b/a PAYDAY LOAN YES
and
VINCENT VENTRIGLIA, Managing Member,

FINAL ORDER

Respondents.

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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 (Director's designee), pursuant to RCW 34.05.440(1). On February 5, 2013, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Impose Fine, Order Restitution, Ban From Industry, and Collect Investigation Fee (Statement of Charges) against Respondent First National Services LLC and Respondent Vincent Ventriglia (Respondents). 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 February 5, 2013, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

On February 5, 2013, the Department served Respondents with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery. The documents sent by Federal Express overnight delivery to Respondent Ventriglia at 12 S. Marion

1 Avenue, Ventnor, New Jersey, 08406 were undeliverable. The documents sent by First-Class mail to
2 this address were not returned to the Department by the United States Postal Service. The United
3 States Postal Service provided the Department with address verification stating that "mail is delivered
4 to the address given" for Respondent Ventriglia.

5 On February 5, 2013, the Department served the Statement of Charges and accompanying
6 documents on Respondents' Registered Agent, Incorporating Services Ltd., by sending a package
7 containing the documents to 3500 S. Dupont Hwy, Dover, Delaware 19901 via First-Class mail and
8 Federal Express overnight delivery. On February 8, 2013, the documents set via Federal Express
9 overnight delivery were delivered. The documents sent via First-Class mail were not returned to the
10 Department by the United States Post Office.

11 Respondents did not request an adjudicative hearing within twenty calendar days after the
12 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for
13 in WAC 208-08-050(2).

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

- 16 1. Statement of Charges,
- 17 2. Cover letter dated February 5, 2013,
- 18 3. Notice of Opportunity to Defend and Opportunity for Hearing,
- 19 4. Blank Application for Adjudicative Hearing for Respondent, with documentation
20 for service, and
- 21 5. Post Office Address Verification Request form completed by the 5006 Wellington
22 Avenue, Ventnor, New Jersey 08406, Branch Office of the United States Post
23 Office received by the Department on March 11, 2013.

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

1 II. FINAL ORDER

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

4 A. IT IS HEREBY ORDERED, That:

- 5 1. Respondents First National Services LLC and Vincent Ventriglia cease and desist
6 from offering or making small loans without a proper license from the Department.
7 2. Respondents First National Services LLC and Vincent Ventriglia jointly and severally
8 pay a fine is \$249,000.
9 3. Respondents First National Services LLC and Vincent Ventriglia pay restitution to all
10 affected borrowers for:
11 i. Any interest or fees collected on small loans originated without a license from
12 January 1, 2007, through April 11, 2012;
13 ii. Any fees collected related to delinquent small loans originated without a
14 license from January 1, 2007, through April 11, 2012; and
15 iii. Any fees collected related to payment plans on small loans originated without
16 a license from January 1, 2007, through April 11, 2012.
17 4. Respondents First National Services LLC and Vincent Ventriglia are banned from
18 participation in the conduct of the affairs of any check casher or check casher with a
19 small loan endorsement or check seller subject to licensure by the Director, in any
20 manner, for a period of five (5) years; and
21 5. Respondents First National Services LLC and Vincent Ventriglia jointly and severally
22 pay investigation fee in the amount of \$5,175.

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

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

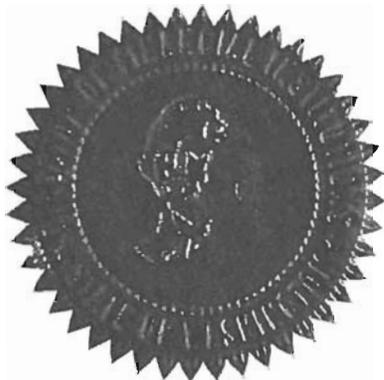
4 C. Stay of Order. The Director's designee has determined not to consider a Petition to
5 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
6 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

10 E. Non-compliance with Order. If you do not comply with the terms of this order, the
11 Department may seek its enforcement by the Office of the Attorney General to include the collection
12 of the fines, fees, and restitution imposed herein. The Department also may assign the amounts owed
13 to a collection agency for collection.

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

17 DATED this 22nd day of March, 2013



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20 STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

21 [Redacted Signature]
22 DEBORAH BORTNER
23 Director
Division of Consumer Services

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

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

7 FIRST NATIONAL SERVICES LLC d/b/a ABC
8 PAYDAY LOAN d/b/a PAYDAY LOAN YES
9 and
10 VINCENT VENTRIGLIA, Managing Member,

11 Respondents.

No.: C-11-0635-12-SC01

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

12 INTRODUCTION

13 Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial
14 Institutions of the State of Washington (Director) is responsible for the administration of chapter
15 31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation
16 pursuant to RCW 31.45.100, and based upon the facts available as of the date of this Statement of
17 Charges, the Director, through his designee, Division of Consumer Services Director Deborah
18 Bortner, institutes this proceeding and finds as follows:

19 I. FACTUAL ALLEGATIONS

20 1.1 Respondents.

21 A. Respondent First National Services LLC d/b/a ABC Payday Loan d/b/a Payday
22 Loan Yes (First National) is a Delaware Limited Liability Company with its principle place of
23 business believed to be located at 333 Naamans Road, Claymont, Delaware. Respondent First
24 National has never obtained a license in accordance with the Act to make loans. Respondent First
National is not registered with the Washington State Secretary of State or the Washington State
Department of Revenue.

1 **B. Vincent Ventriglia (Ventriglia)** is or was a Managing Member of First National
2 Services LLC during times relevant to this Statement of Charges.

3 **1.2 Unlicensed Activity.** For at least the period from January 2007, through April 2012,
4 Respondents conducted business by providing loans to up to 830 consumers in Washington State
5 without being licensed with the Department. Respondents made loans to Washington State residents
6 physically located in Washington State. Respondents or Respondents' agents deposited and
7 withdrew funds directly into and out of Washington State residents' bank accounts. During the
8 duration of the loan transaction and collection, communication between Respondents and
9 Washington State residents occurred via telephone or the internet. The Department received at least
10 19 complaints from Washington State residents alleging that each received at least one loan from
11 Respondents.

12 **1.3 Charging Interest or Fees on Small Loans in Excess of Statutory Maximum.**

13 Respondents charged interest or fees in the aggregate exceeding fifteen percent (15%) of the first five
14 hundred dollars (\$500.00) of aggregated principal and ten percent (10%) of the next two hundred
15 dollars (\$200.00) of aggregated principal of small loans outstanding at any one time. By way of
16 example:

- 17 • On or about July 29, 2011, Washington Consumer [REDACTED] obtained a loan from
18 Respondent in the amount of \$400. Between August 12, 2011, and October 21, 2012,
19 Respondents withdrew \$770 from Consumer [REDACTED]'s bank account. On or about
20 October 24, 2012, Respondents contacted Consumer [REDACTED] stating that Consumer [REDACTED]
21 still owed Respondents \$455.
- 22 • In or around February 2011, Washington Consumer [REDACTED] obtained a \$350 loan from
23 Respondents. By May 2011 Consumer [REDACTED] had paid Respondents \$690 and
24 Respondents were asserting that Consumer [REDACTED] still owed \$390.
- On or about August 15, 2011, Washington Consumer [REDACTED] obtained a \$400 loan from
Respondents. Between August 26, 2011, and November 25, 2011, Respondents
withdrew \$1,140 from Consumer [REDACTED]'s bank account.

1 **1.4 On-going Investigation.** The Department's investigation into the alleged violations of the
2 Act by Respondents continues to date.

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

4 **2.1 Definition of Check Casher.** Pursuant to RCW 31.45.010(5), a "Check Casher" is defined as
5 an individual, partnership, unincorporated association, or corporation that, for compensation,
6 engages, in whole or in part, in the business of cashing checks, drafts, money orders, or other
7 commercial paper serving the same purpose.

8 **2.2 Definition of Licensee.** Pursuant to RCW 31.45.010(13), "Licensee" means a check casher
9 or seller licensed by the director to engage in business in accordance with this chapter. "Licensee"
10 also means a check casher or seller, whether located within or outside of this state, who fails to obtain
11 the license or small loan endorsement required by this chapter.

12 **2.3 Definition of Small Loan.** Pursuant to RCW 31.45.010(21), "Small loan" means a loan of up
13 to the maximum amount and for a period of time up to the maximum term specified in RCW
14 31.45.073.

15 **2.4 Requirement to Obtain a License.** Based on the Factual Allegations set forth in Section I
16 above, Respondents are in apparent violation of RCW 31.45.030(1) for engaging in the business of
17 making small loans without first obtaining a license from the Director.

18 **2.5 Requirement to Obtain a Small Loan Endorsement.** Based on the Factual Allegations set
19 forth in Section I above, Respondents are in apparent violation of RCW 31.45.070 and RCW
20 31.45.073 for engaging in the business of making small loans without first obtaining a small loan
21 endorsement from the Director.

22 **2.6 Statutory Maximum Interest or Fees on Small Loans.** Based on the Factual Allegations
23 set forth in Section I above, Respondents are in apparent violation of RCW 31.45.073(5) for charging

1 interest or fees in the aggregate exceeding fifteen percent (15%) of the first five hundred dollars
2 (\$500.00) of principal and ten percent (10%) of the next two hundred dollars (\$200.00) of principal
3 of the small loans.

4 **2.7 Authority to Issue Cease and Desist Order.** Pursuant to RCW 31.45.110(2)(b), the Director
5 may order a licensee to cease and desist from practices in violation of the Act or practices that
6 constitute unsafe and unsound financial practices.

7 **2.8 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a
8 fine, not to exceed one hundred dollars per day for each day's violation of the Act, on any licensee or
9 applicant, or any director, officer, sole proprietor, partner, controlling person, or employee of a
10 licensee or applicant, that is violating or has violated the Act.

11 **2.9 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order
12 restitution to borrowers damaged by the licensee's violation of the Act.

13 **2.10 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the
14 Director may remove from office or ban from participation in the conduct of the affairs of any
15 licensee any director, officer, sole proprietor, partner, controlling person, or employee of a licensee
16 that is violating or has violated the Act.

17 **2.11 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100,
18 WAC 208-630-360, WAC 208-630-380, and WAC 208-630-390, the Director shall collect from the
19 licensee the actual cost of an investigation of the business, books, accounts, records, files, or other
20 information of a licensee or person who the Director has reason to believe is engaging in the business
21 governed by the Act. The investigation charge will be calculated at the rate of sixty-nine dollars
22 (\$69) per hour that each staff person devoted to the investigation, plus actual expenses.

23 //

1 **III. NOTICE OF INTENTION TO ENTER ORDER**

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

- 6 **3.1** Respondents First National Services LLC and Vincent Ventriglia cease and desist
7 from offering or making small loans without a proper license from the Department.
- 8 **3.2** Respondents First National Services LLC and Vincent Ventriglia jointly and severally
9 pay a fine is \$249,000.
- 10 **3.3** Respondents First National Services LLC and Vincent Ventriglia pay restitution to all
11 affected borrowers for:
12 a. Any interest or fees collected on small loans originated without a license from
13 January 1, 2007, through April 11, 2012.
14 b. Any fees collected related to delinquent small loans originated without a license
15 from January 1, 2007, through April 11, 2012; and
16 c. Any fees collected related to payment plans on small loans originated without a
17 license from January 1, 2007, through April 11, 2012.
- 18 **3.4** Respondents First National Services LLC and Vincent Ventriglia be banned from
19 participation in the conduct of the affairs of any check casher or check casher with a
20 small loan endorsement or check seller subject to licensure by the Director, in any
21 manner, for a period of five (5) years; and
- 22 **3.5** Respondents First National Services LLC and Vincent Ventriglia jointly and severally
23 pay investigation fee in the amount of \$5,175, calculated at \$69 per hour for staff time
24 devoted to the investigation.

18 **V. AUTHORITY AND PROCEDURE**

19 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist,
20 Impose Fine, Order Restitution, Ban From Industry, and Collect Investigation Fee (Statement of
21 Charges) is entered pursuant to the provisions of RCW 31.45.110 and RCW 31.45.200, and is subject
22 to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may
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1 make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND
2 AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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4 Dated this 5th day of February, 2013



5 [Redacted Signature]
6
7 DEBORAH BORTNER
8 Director
9 Division of Consumer Services
10 Department of Financial Institutions

11 Presented by:

12 [Redacted Signature]
13
14 DEBORAH TAEILLIOUS
15 Financial Legal Examiner

16 Approved by:

17 [Redacted Signature]
18
19 CHARLES CLARK
20 Enforcement Chief