

## ORDER SUMMARY – Case Number: C-13-1319

**Name(s):** DNA Investments, LLC and David Harbour

**Order Number:** C-13-1319-15-CO03

**Effective Date:** July 1, 2015

**License Number:** U/L  
**Or NMLS Identifier [U/L]**

**License Effect:** N/A

**Not Apply Until:** N/A

**Not Eligible Until:** N/A

**Prohibition/Ban Until:** Permanent

<b>Investigation Costs</b>	\$4,623	Due: 6/19/15	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date: 6/23/2015
<b>Fine</b>	\$5,000	Due: 7/17/15	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>	<input type="checkbox"/> Y <input type="checkbox"/> N			
No. of Victims:				

Comments: Mr. Harbour and DNA Investments, LLC are jointly liable with Mr. Rowland (C-13-1319-15-CO02) for investigation fee (due by 6/19/15), fine (due by 7/15/15), and restitution (pursuant to a settlement with the FTC). DNA Investments, LLC and Mr. Harbour must immediately cease and desist from their unlicensed activities and are permanently banned from the industry. Mr. Harbour is obligated to notify the Department if his or DNA Investment's addresses change in the future.

**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:

LONGBOAT GROUP, LLC d/b/a CUTTER  
GROUP;  
ST. ARMANDS GROUP, LLC;  
VANDELIER GROUP, LLC;  
ANASAZI GROUP, LLC;  
FRAMPTON T. ROWLAND, III a/k/a TED  
ROWLAND, Managing Member and Co- Owner;  
DNA INVESTMENTS, LLC, Majority Owner;  
and  
DAVID HARBOUR, Managing Member and  
Owner (of DNA INVESTMENTS, LLC),

Respondents.

No.: C-13-1319-15-CO03

CONSENT ORDER AS TO  
DNA INVESTMENTS, LLC  
and DAVID HARBOUR

COME NOW the Director of the Department of Financial Institutions (Director), through his  
designee Charles E. Clark, Division Director, Division of Consumer Services, and DNA Investments,  
LLC, Majority Owner (Respondent DNA), and David Harbour, Managing Member and Owner of  
DNA Investments, LLC (Respondent Harbour), and finding that the issues raised in the above-  
captioned matter may be economically and efficiently settled solely as they relate to Respondents  
DNA and Harbour, 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  
Respondents DNA and Harbour have agreed upon a basis for resolution of the matters alleged in  
Statement of Charges No. C-13-1319-14-SC01 (Statement of Charges), entered March 4, 2014, (copy

1 attached hereto) solely as they relate to Respondents DNA and Harbour. Pursuant to chapter 31.45  
2 RCW, the Check Cashers and Sellers Act (Act), and RCW 34.05.060 of the Administrative Procedure  
3 Act, Respondents DNA and Harbour hereby agree to the Department's entry of this Consent Order  
4 and further agree that the issues raised in the above-captioned matter may be economically and  
5 efficiently settled solely as to Respondents DNA and Harbour by entry of this Consent Order.

6 Based upon the foregoing:

7 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter  
8 of the activities discussed herein.

9 **B. Waiver of Hearing.** It is AGREED that Respondents DNA and Harbour have been  
10 informed of the right to a hearing before an administrative law judge, and hereby waive their right to  
11 a hearing and any and all administrative and judicial review of the issues raised in this matter, or of  
12 the resolution reached herein. Accordingly, Respondents DNA and Harbour, by the signatures  
13 below, withdraw their appeal to the Office of Administrative Hearings.

14 **C. Cease and Desist.** It is AGREED that Respondents DNA and Harbour shall cease and  
15 desist from offering or making small loans to Washington State residents

16 **D. Prohibition from Industry.** It is AGREED that Respondents DNA and Harbour are  
17 permanently prohibited from participating, in any capacity, in the conduct of the affairs of any check  
18 cashier or seller licensed by the Department or subject to licensure or regulation by the Department.

19 **E. Fine.** It is AGREED that Respondents DNA and Harbour shall pay a fine to the  
20 Department in the amount of \$5,000 in the form of a cashier's check made payable to the  
21 "Washington State Treasurer" no later than July 17, 2015. The obligation to pay the fine shall be  
22 joint and several with any other Respondents ordered to pay a fine in this matter. It is further  
23 AGREED that the Department may immediately refer this Consent Order to its contracted collections

24 agency without further notice to Respondents DNA and Harbour if payment for the fine is not

1 received by July 17, 2015, and that Respondents DNA and Harbour shall make all payments through  
2 the collections agency in such amounts as established through that process. Respondents DNA and  
3 Harbour acknowledge that in pursuing amounts owed hereunder, the collection agency may require  
4 payment of additional costs related to its collection efforts.

5 **F. Investigation Fee.** It is AGREED that Respondents DNA and Harbour shall pay to the  
6 Department an investigation fee of \$4,623 in the form of a cashier's check made payable to the  
7 "Washington State Treasurer" no later than June 17, 2015. The obligation to pay the investigation fee  
8 shall be joint and several with any other Respondents ordered to pay the investigation fee in this  
9 matter.

10 **G. Restitution.** It is AGREED that Respondents DNA and Harbour shall pay restitution to  
11 all affected Washington State borrowers for any interest or fees collected on small loans originated  
12 without a license pursuant to a settlement with the Federal Trade Commission. The obligation to pay  
13 restitution shall be joint and several with any other Respondents ordered to pay a fine in this matter.

14 **H. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
15 consent of any person or entity not a party to this Consent Order to take any action concerning their  
16 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
17 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,  
18 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

19 **I. Change of Address.** It is AGREED that for the duration of the period this Consent Order  
20 is in effect, unless otherwise agreed to in writing by the Department, Respondent Harbour shall  
21 provide the Department with a mailing address and telephone number at which Respondents DNA  
22 and Harbour can be contacted and Respondent Harbour shall notify the Department in writing of any  
23 changes to Respondent DNA's or his mailing address(es) or telephone number(s) within fifteen days  
24 of any such change.



1       **J. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
2 warranted that they have the full power and right to execute this Consent Order on behalf of the  
3 parties represented.

4       **K. Non-Compliance with Order.** It is AGREED that Respondents DNA and Harbour  
5 understand that failure to abide by the terms and conditions of this Consent Order may result in  
6 further legal action by the Director. In the event of such legal action, Respondents DNA and Harbour  
7 may be responsible to reimburse the Director for the cost incurred in pursuing such action, including  
8 but not limited to, attorney fees.

9       **L. Voluntarily Entered.** It is AGREED that Respondents DNA and Harbour have  
10 voluntarily entered into this Consent Order, which is effective when signed by the Director's  
11 designee.

12       **M. Completely Read, Understood, and Agreed.** It is AGREED that Respondents DNA and  
13 Harbour have read this Consent Order in its entirety and fully understand and agree to all of the same.


14       **RESPONDENTS:**

15       DNA Investments, LLC

16       By: 

17       David Harbour  
18       Managing Member and Owner

6/5/15  
Date

19         
20       David Harbour  
21       Individually

6/5/15  
Date

22       Approved for Entry:

23       


24       Nick Hillyard  
25       Franke Schultz & Mullen  
26       Attorney for Respondents DNA and Harbour

6/16/15  
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 1st DAY OF July, 2015.




  
CHARLES E. CLARK  
Director, Division of Consumer Services  
Department of Financial Institutions

Presented by:

\_\_\_\_\_  
DEVON P. PHELPS  
Financial Legal Examiner

Approved by:

  
STEVEN C. SHERMAN  
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:

LONGBOAT GROUP, LLC d/b/a CUTTER  
GROUP;  
ST. ARMANDS GROUP, LLC;  
VANDELIER GROUP, LLC;  
ANASAZI GROUP, LLC;  
FRAMPTON T. ROWLAND, III a/k/a TED  
ROWLAND, Managing Member and Co-  
Owner;  
DNA INVESTMENTS, LLC, Majority Owner;  
and  
DAVID HARBOUR, Managing Member and  
Owner (of DNA INVESTMENTS, LLC),

Respondents.

No.: C-13-1319-14-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO CEASE AND DESIST, BAN  
FROM INDUSTRY, IMPOSE FINE,  
ORDER RESTITUTION, 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 February 11, 2014, 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. Longboat Group, LLC d/b/a Cutter Group (Cutter)** is a Delaware Limited Liability Company with its principal place of business believed to be located at 7301 Mission Road,

Suite 318, Prairie Village, Kansas 66208. Respondent Cutter has never obtained a license in accordance with the Act to make loans.

**B. St. Armands Group, LLC (St. Armands)** is a Delaware Limited Liability Company with its principal place of business believed to be located at 7301 Mission Road, Suite 318, Prairie Village, Kansas 66208. Respondent St. Armands has never obtained a license in accordance with the Act to make loans.

**C. Vandelier Group, LLC (Vandelier)** is a Delaware Limited Liability Company with its principal place of business believed to be located at 7301 Mission Road, Suite 318, Prairie Village, Kansas 66208. Respondent Vandelier has never obtained a license in accordance with the Act to make loans.

**D. Anasazi Group, LLC (Anasazi)** is a Delaware Limited Liability Company with its principal place of business believed to be located at 7301 Mission Road, Suite 318, Prairie Village, Kansas 66208. Respondent Anasazi has never obtained a license in accordance with the Act to make loans.

**E. Frampton T. Rowland, III a/k/a Ted Rowland (Rowland)** is Managing Member and 33.3% Owner of Respondents Cutter, St. Armands, Vandelier, and Anasazi.

**F. DNA Investments, LLC (DNA)** is a Delaware Limited Liability Company which is 66.7% Owner of Respondents Cutter, St. Armands, Vandelier, and Anasazi.

**G. David Harbour (Harbour)** is the Sole Managing Member and 100% Owner of Respondent DNA.

**1.2 Unlicensed Activity.** For at least the period from August 2011 through November 2012, Respondents have conducted business by providing loans to at least six consumers physically located in Washington State without being licensed by the Department as a check casher and seller with a small loan endorsement. The Department received from Washington consumers at least two



complaints about Respondent Cutter, at least two complaints about Respondent St. Armands, at least four complaints about Respondent Vandelier, and at least two complaints about Respondent Anasazi.

**1.3 Failure to Disclose Terms of Small Loans to Borrowers.** Respondents have failed to provide borrowers with statutorily required written agreements or written disclosures during the course of making small loans. At least six Washington consumers stated they never received any documents disclosing the terms of the loan from Respondents before money was deposited into their bank account.

**1.4 Charging Interest on Small Loans in Excess of Statutory Maximum.** Respondents have charged interest or fees in the aggregate exceeding 15% of the first \$500 of aggregated principal of small loans outstanding at any one time. Respondents Cutter and Vandelier both charged at least one Washington consumer 782.14% on a \$250 loan.

**1.5 Charging Fees on Delinquent Small Loans in Excess of Statutory Maximum.** Respondents Cutter's and Vandelier's contracts state that the fee for a return by the consumer's financial institution is \$30, plus all finance charges. This amount is in excess of a one-time fee of up to \$25 as allowed by the Act.

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

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

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

1 **2.2 Definition of Small Loan.** Pursuant to RCW 31.45.010(21), a "Small Loan" is defined as a  
2 loan of up to the maximum amount and for a period of time up to the maximum term specified in  
3 RCW 31.45.073.

4 **2.3 Definition of Licensee.** Pursuant to RCW 31.45.010(13), a "Licensee" means a check casher  
5 or seller licensed by the director to engage in business in accordance with this chapter. "Licensee"  
6 also means a check casher or seller, whether located within or outside of this state, who fails to obtain  
7 the license or small loan endorsement required by this chapter.

8 **2.4 Requirement to Obtain a Check Casher and Seller License.** Based on the Factual  
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.45.030(1)  
10 for engaging in the business of a check casher and seller without first obtaining a license from the  
11 Director.

12 **2.5 Requirement to Obtain a Small Loan Endorsement.** Based on the Factual Allegations set  
13 forth in Section I above, Respondents are in apparent violation of RCW 31.45.070(1), RCW  
14 31.45.073(1), and RCW 31.45.105(1)(a)-(d) for engaging in the business of making small loans  
15 without first obtaining a small loan endorsement from the Director.

16 **2.6 Requirement to Provide Small Loan Disclosures.** Based on the Factual Allegations set  
17 forth in Section I above, Respondents are in apparent violation of RCW 31.45.088(3), WAC 208-  
18 630-490, and WAC 208-630-500 for failing to provide disclosures to small loan borrowers including  
19 the terms of the small loan, the principal amount of the small loan, and the annual percentage rate  
20 resulting from the fee or interest rate.

21 **2.7 Statutory Maximum Interest for Small Loans.** Based on the Factual Allegations set forth  
22 in Section I above, Respondents are in apparent violation of RCW 31.45.073(5) and WAC 208-630-  
23 466(1) for charging interest for small loans that exceeds in the aggregate 15% of the first \$500 of  
24 principal.

1 **2.8 Statutory Maximum Fees on Delinquent Small Loans.** Based on the Factual Allegations  
2 set forth in Section I above, Respondents are in apparent violation of RCW 31.45.082(1) for charging  
3 fees on delinquent small loans in excess of a one-time fee as determined in rule by the director where  
4 a borrower's check has been returned unpaid by the financial institution upon which it is drawn.  
5 Pursuant to WAC 208-630-542, the allowable one-time fee where a borrower's check has been  
6 returned unpaid by the financial institution upon which it is drawn is currently up to \$25.

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

8 **3.1 Authority to Issue Cease and Desist Order.** Pursuant to RCW 31.45.110(2)(b), the Director  
9 may order a licensee to cease and desist from practices in violation of the Act or practices that  
10 constitute unsafe and unsound financial practices.

11 **3.2 Authority to Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the Director may  
12 ban from participation in the conduct of the affairs of any licensee any director, officer, sole  
13 proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the  
14 Act including rules.

15 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a  
16 fine, not to exceed one hundred dollars per day for each day's violation of the Act, on any licensee or  
17 applicant, or any director, officer, sole proprietor, partner, controlling person, or employee of a  
18 licensee or applicant, that is violating or has violated the Act including rules.

19 **3.4 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order  
20 restitution to borrowers damaged by the licensee's violation of this chapter.

21 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100,  
22 WAC 208-630-360, WAC 208-630-370, and WAC 208-630-380, the Director shall collect from the  
23 licensee the actual cost of an investigation of the business, books, accounts, records, files, or other  
24 information of a licensee or person who the Director has reason to believe is engaging in the business

governed by the Act. The investigation charge will be calculated at the rate of \$69 per hour that each staff person devoted to the investigation, plus actual expenses.

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

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

- 4.1 Respondents Longboat Group, LLC d/b/a Cutter Group, St. Armands Group, LLC, Vandelier Group, LLC, Anasazi Group, LLC, Frampton T. Rowland, III a/k/a Ted Rowland, DNA Investments, LLC, and David Harbour cease and desist from offering or making small loans to Washington State residents;
- 4.2 Respondents Longboat Group, LLC d/b/a Cutter Group, St. Armands Group, LLC, Vandelier Group, LLC, Anasazi Group, LLC, Frampton T. Rowland, III a/k/a Ted Rowland, DNA Investments, LLC, and David Harbour be banned from participation in the conduct of the affairs of any check casher or check casher with a small loan endorsement or check seller subject to licensure by the Director, in any manner, for a period of five (5) years;
- 4.3 Respondents Longboat Group, LLC d/b/a Cutter Group, St. Armands Group, LLC, Vandelier Group, LLC, Anasazi Group, LLC, Frampton T. Rowland, III a/k/a Ted Rowland, DNA Investments, LLC, and David Harbour jointly and severally pay a fine, which as of the date of this Statement of Charges is \$50,000;
- 4.4 Respondents Longboat Group, LLC d/b/a Cutter Group, St. Armands Group, LLC, Vandelier Group, LLC, Anasazi Group, LLC, Frampton T. Rowland, III a/k/a Ted Rowland, DNA Investments, LLC, and David Harbour jointly and severally pay restitution to all affected Washington State borrowers for any interest or fees collected on small loans originated without a license; and
- 4.5 Respondents Longboat Group, LLC d/b/a Cutter Group, St. Armands Group, LLC, Vandelier Group, LLC, Anasazi Group, LLC, Frampton T. Rowland, III a/k/a Ted Rowland, DNA Investments, LLC, and David Harbour jointly and severally pay an investigation fee of \$4,623.



1 **V. AUTHORITY AND PROCEDURE**

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

8  
9 Dated this 4th day of March, 2014.



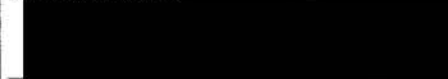
11  
12 DEBORAH BORTNER  
13 Director, Division of Consumer Services  
14 Department of Financial Institutions

14 Presented by:



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16 DEVON P. PHELPS  
17 Financial Legal Examiner

17 Approved by:



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19 CHARLES E. CLARK  
20 Enforcement Chief