

**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:

CASH 4 CHECKS LLC D/B/A ROMAN
CHAVARRIA,
License No. 530-CC-29394

Respondent.

No.: C-14-1523-14-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO REVOKE LICENSE, 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 Respondent Cash 4 Checks LLC d/b/a Roman Chavarria ("Respondent") was licensed by the Department of Financial Institutions of the State of Washington ("Department") to conduct business as a check casher on February 3, 2006, and has continued to be licensed to date. Respondent is licensed to conduct the business of a check casher at 11226 SE 264th Street, Kent, Washington 98030.

1.2 Failure to Comply with the Department's Investigative Authority – Complaint Investigation. On or about May 16, 2014, the Department issued a Directive to Respondent to provide records related to the allegations contained in at least one consumer complaint regarding

possible abnormalities in his check cashing business. Respondent was required to provide a response to the Department on or before June 2, 2014. After receiving no response, the Department issued a second copy of the Directive on June 13, 2014, to Respondent's email address at rcntc01@msn.com. The Department requested that Respondent provide a response by June 13, 2014. To date, Respondent has not provided a response to the Department's Directive.

1.3 Failure to Comply with the Department's Investigative Authority – Business

Examination. On July 21, 2014, the Department sent Respondent an entry letter regarding a business examination, along with a compliance examination management questionnaire that was to be completed by September 15, 2014. On August 5, 2014, Respondent provided an incomplete management questionnaire.

The Department's Examiner in Charge ("EIC") attempted to schedule the examination of Respondent's business that had been initially set for October 14, 2014, and October 15, 2014, by calling Respondent's number on August 14, 2014, September 23, 2014, and October 13, 2014. The EIC also sent a notification on October 13, 2014, of the scheduled examination to Respondent's email address at rcntc01@msn.com. To date, Respondent has not complied with the Department's requests for a business examination.

1.4 On-going Investigation. The Department's investigation into the alleged violations of the Act by Respondent 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 Licensee.** Pursuant to RCW 31.45.010(13), a "Licensee" is defined as a check
2 cashier or seller licensed by the director to engage in business in accordance with the Act. For the
3 purpose of the enforcement powers of the Act, including the power to issue cease and desist orders
4 under RCW 31.45.110, "licensee" also means a check cashier or seller who fails to obtain the license
5 required by the Act.

6 **2.3 Requirement to Comply with the Department's Investigative Authority.** Based on the
7 Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW
8 31.45.100 and RCW 31.45.110(k) for failing to comply with the Director's investigative authority,
9 for failing, upon demand by the Director or the Director's designee, to disclose any information
10 within his or her knowledge to, or to produce any document, book, or record in his or her possession
11 for inspection of, the Director or Director's designee, and for failing to comply with the Director's
12 requests for an examination.

13 **III. AUTHORITY TO IMPOSE SANCTIONS**

14 **3.1 Authority to Revoke License.** Pursuant to RCW 31.45.110(2)(a), the Director may revoke a
15 license if a licensee is violating or has violated the Act including rules and orders, or commits any act
16 or engages in conduct that demonstrates incompetence or untrustworthiness, or is a source of injury
17 or loss to the public.

18 **3.2 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the
19 Director may remove from office or ban from participation in the conduct of the affairs of any
20 licensee any director, officer, sole proprietor, partner, controlling person, or employee of a licensee
21 that is violating or has violated the Act including rules and orders, or commits any act or engages in
22 conduct that demonstrates incompetence or untrustworthiness, or is a source of injury or loss to the
23 public.

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

3.4 Authority to Collect Investigation Fee. Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC 208-630-360, WAC 208-630-370, and WAC 208-630-380, the Director shall collect from the licensee the actual cost of an investigation of the business, books, accounts, records, files, or other information of a licensee. The investigation charge will be calculated at the rate of sixty-nine dollars (\$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 Respondent Cash 4 Checks LLC d/b/a Roman Chavarria's license to conduct the business of a check casher be revoked;

4.2 Respondent Cash 4 Checks LLC d/b/a Roman Chavarria be banned from participation in the conduct of the affairs of any check casher, 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 Respondent Cash 4 Checks LLC d/b/a Roman Chavarria pay a fine of \$7,000; and

4.4 Respondent Cash 4 Checks LLC d/b/a Roman Chavarria pay investigation fee in the amount of \$2,415.

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1 **V. AUTHORITY AND PROCEDURE**

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

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9 Dated this 1st day of December 2014. *DB*




DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

14 Presented by:

15 
16 BARBARA PENTTILA
17 Financial Legal Examiner

18 Approved by:

19 
20 CHARLES CLARK
21 Enforcement Chief