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:

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DEVIDIA II LTDA. d/b/a nationalpayday.com,

Respondent.

No.: C-15-1628-15-SC01

STATEMENT OF CHARGES and NOTICE OF INTENTION TO ENTER AN ORDER TO CEASE AND DESIST, 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 June 4, 2015, the Director, through his designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

- 1.1 Devidia II Ltda. d/b/a nationalpayday.com (Respondent) is a limited liability company believed to be located in the country of Costa Rica. Respondent has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a check casher or seller with a small loan endorsement.
- 1.2 Unlicensed Activity. From at least September 17, 2014, Respondent engaged in the business of a check casher or seller with small loan endorsement by making a small loan to at least one borrower physically located in the state of Washington.
- 1.3 On-going Investigation. The Department's investigation into the alleged violations of the Act by Respondent continues to date.

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STATEMENT OF CHARGES C-15-1628-15-SC01 DEVIDIA II LTDA. D/B/A NATIONALPAYDAY.COM DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

II. GROUNDS FOR ENTRY OF ORDER

2	2.1 Definition of Check Casher. Pursuant to RCW 31.45.010(5), a "Check Casher" is defined as		
3	an individual, partnership, unincorporated association, or corporation that, for compensation,		
4	engages, in whole or in part, in the business of cashing checks, drafts, money orders, or other		
5	commercial paper serving the same purpose.		
6	2.2 Definition of Check Seller. Pursuant to RCW 31.45.010(6), a "Check Seller" is defined as		
7	an individual, partnership, unincorporated association, or corporation that, for compensation,		
8	engages, in whole or in part, in the business of selling checks, drafts, money orders, or other		
9	commercial paper serving the same purpose.		
10	2.3 Definition of Licensee. Pursuant to RCW 31.45.010(13), a "Licensee" is defined as a check		
11	casher or seller licensed by the director to engage in business in accordance with the Act. "Licensee		
12	also means a check casher or seller, whether located within or outside of this state, who fails to obtain		
13	the license or small loan endorsement required by this chapter.		
14	2.4 Definition of Small Loan. Pursuant to RCW 31.45.010(21), a "Small Loan" is defined as a		
15	loan up to the maximum amount and for a period of time up to the maximum term specified in RCW		
16	31.45.073.		
17	2.5 Requirement to Obtain a Check Casher or Seller License. Based on the Factual		
18	Allegations set forth in Section I above, Respondent is in apparent violation of RCW 31.45.030(1) for		
19	engaging in the business of a check casher or seller without first obtaining a license from the		

Requirement to Obtain a Small Loan Endorsement. Based on the Factual Allegations set 2.6 forth in Section I above, Respondent is in apparent violation of RCW 31.45.070 and RCW 31.45.073

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for engaging in the business of making small loans without first obtaining a small loan endorsement from the Director.

III. AUTHORITY TO IMPOSE SANCTIONS

- 3.1 Authority to Issue Cease and Desist Order. Pursuant to RCW 31.45.110(2)(b), the Director may order a licensee to cease and desist from practices in violation of the Act or practices that constitute unsafe and unsound financial practices.
- 3.2 Authority to Ban from the Industry. Pursuant to RCW 31.45.110(2)(e), the Director may remove from office or ban from participation in the conduct of the affairs of any licensee any director, officer, sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the Act including rules.
- 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.
- 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 examination or investigation of the business, books, accounts, records, files, or other 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 \$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

1	entry of an Order under RCW 31.45.110 and RCW 31.45.200. Therefore, it is the Director's		
2	intention to ORDER that:		
3	4.1	Respondent Devidia II Ltda. d/b/a nationalpayday.com cease and desist from offering or making small loans to persons physically located in the state of Washington;	
5	4.2	Respondent Devidia II Ltda. d/b/a nationalpayday.com be banned from participation in the conduct of the affairs of any check casher or seller with a small loan	
6		endorsement subject to licensure by the Director, in any manner, for a period of 5 years;	
7	4.3	Respondent Devidia II Ltda. d/b/a nationalpayday.com pay a fine in the amount of \$3,000; and	
8 9	4.4	Respondent Devidia II Ltda. d/b/a nationalpayday.com pay an investigation fee in the amount of \$1,725.	
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24	// STATEMENT OF C C-15-1628-15-SC01 DEVIDIA II LTDA. NATIONALPAYDA	D/B/A Division of Consumer Services 150 Israel Rd SW	

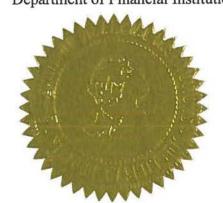
PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703

V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Ban from Industry, Impose Fine, and Collect Investigation Fee (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). Respondent 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 12th day of June, 2015.

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



Presented by.

KENNETH J. SUGIMOTO Financial Legal Examiner

18 Approved by:

STEVEN C. SHERMAN

STEVEN C. SHERMAN Enforcement Chief

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