

**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 by:

No.: C-14-1546-14-CO01

CONSENT ORDER

MYCASHNOW.COM, INC. D/B/A
MYCASHNOW.COM, PAYDAYMAX.COM,
LTD. D/B/A PAYDAYMAX.COM,
DISCOUNT ADVANCES, and
CAREY V. BROWN,
President and Owner,

Respondents..

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Mycashnow.com, Inc., PayDayMax.com, Ltd., Discount Advances (collectively Respondent Entities), and Carey V. Brown, President and Owner of Respondent Entities (Respondent Brown), by and through their attorney James M. Lord, and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, 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:

FINDINGS OF FACT

1.1 Respondent Entities (and Respondent Brown as owner and president of Respondent Entities) have not previously obtained a check casher license with a small loan endorsement in accordance with chapter 31.45 RCW, the Check Cashers and Sellers Act (Act), from the Department of Financial Institutions of the State of Washington (Department).

1.2 Beginning in at least September 2006, Respondent Entities collectively provided small loans to at least 18 borrowers physically located in the State of Washington without being licensed by the Department as a check casher and seller with a small loan endorsement.

1.3 Respondent Brown has represented that the Respondent Entities ceased originating new loans to residents located in the State of Washington on or about August 9, 2013.

1.4 Respondent Brown has represented that the Respondent Entities ceased collection efforts on small loans made to Washington residents on December 9, 2013, and subsequently wrote off all such loans with outstanding balances.

1.5 Respondent Brown has represented that the Respondent Entities stopped accepting payment on outstanding loans as of February 2014.

DIRECTOR'S CONCLUSIONS OF LAW

2.1 Based on the above Findings of Fact, the Director concludes that Respondent Entities (and Respondent Brown as owner and president) violated RCW 31.45.030(1) by engaging in the business of check casher or seller with a small loan endorsement in the State of Washington without first obtaining a license from the Director.

2.2 Based on the above Findings of Fact, the Director concludes that Respondent Entities (and Respondent Brown as owner and president) violated RCW 31.45.070, RCW 31.45.073, and RCW 31.45.105(1)(a)-(d) by engaging in the business of making small loans in the State of Washington without first obtaining a small loan endorsement from the Director.

AGREEMENT AND ORDER

The Department and Respondents have agreed upon a basis for resolution of the Findings of Fact and Conclusions of Law identified in this Consent Order. Pursuant to the Act and RCW 34.05.060 of the Administrative Procedure Act, Respondents and the Department hereby agree to the

1 entry of this Consent Order and further agree that the issues raised in the above-captioned matter may
2 be economically and efficiently settled by entry of this Consent Order.

3 Based upon the foregoing:

4 **A. Jurisdiction.** Respondents consent to the jurisdiction of the Department to enter this
5 Consent Order, as well as the jurisdiction of the Department and Washington State courts to the extent
6 required for the Department to enforce all terms contained in this Consent Order, including but not
7 limited to this provision. The limited consent provided herein is for the entry and enforcement of this
8 Consent Order only and shall not be construed as a waiver or consent to jurisdiction for any other
9 purpose as to the Respondents.

10 **B. Waiver of Hearing.** It is AGREED that Respondents hereby waive their right to a
11 hearing and any and all administrative and judicial review of the issues raised in this matter, or of the
12 resolution reached herein.

13 **C. No Admission of Liability.** It is AGREED that the Respondent Entities neither admit nor
14 deny any wrongdoing by entry of this Consent Order. It is further AGREED that Respondent Brown
15 does not admit to any wrongdoing by entry of this Consent Order.

16 **D. No Further Lending or Collection.** It is AGREED that Respondents and any other
17 Entities presently or in the future owned by Respondent Brown shall continue to cease and desist
18 from providing small loans to Washington State residents. In addition, it is AGREED that
19 Respondents have voided and/or forfeited loans that were extended to Washington borrowers by
20 ceasing collection on outstanding loans and canceling defaulted loans. It is further AGREED that
21 Respondents and any other Entities presently or in the future owned by Respondent Brown will
22 continue their practice of not attempting to collect on any loans previously made to Washington State
23 residents. The prohibitions in this paragraph include but are not limited to making small loans

1 through any entity in which Respondent Brown participates in any capacity, including but not limited
2 to: (1) any financial capacity whether active or passive, (2) as an officer, director, principal, or
3 employee, and (3) in any management, control, or oversight.

4 **E. Prohibition from Industry.** It is AGREED that, for a period of five (5) years from the
5 date of entry of this Consent Order, Respondents and any other Entities presently or in the future
6 owned by Respondent Brown are prohibited from making small loans to Washington State residents
7 and from participating, in any capacity, in the conduct of the affairs of any check casher or seller with
8 a small loan endorsement licensed by the Department or subject to licensure or regulation by the
9 Department.

10 **F. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
11 \$105,000 in the form of a cashier's check made payable to the "Washington State Treasurer" upon
12 entry of this Consent Order.

13 **G. Restitution.** It is AGREED that Respondents shall pay restitution totaling \$22,224.69¹ to
14 the Washington State residents listed in Attachment A. It is further AGREED that prior to entry of
15 this Consent Order Respondents provided funds to Respondent's counsel in the amount of
16 \$21,379.69 to be placed in the Sideman & Bancroft LLP trust account and distributed to Washington
17 borrowers identified on Attachment A who filed complaints with the Department. These Washington
18 State residents identified on Attachment A shall receive refunds for fees and interest collected by
19 Respondents as identified on Attachment A. Within 30 days from entry of this Consent Order,
20 Respondents shall cause their counsel to mail restitution payments to the borrowers identified on
21 Attachment A. Each mailed restitution check must be accompanied by an explanatory letter
22 discussing the restitution payment. A copy of the explanatory language is attached as Attachment B.

23
24 ¹ As indicated in attachment A, consumer V.B. already received a refund from Respondents in March 2014.

1 All expenses associated with the distribution of refunds, including but not limited to the cost of
2 mailings and stop payment fees, shall be borne by Respondents. If restitution cannot be made to any
3 particular borrower, Respondents shall cause their counsel to take the necessary steps to escheat such
4 funds to the state of Washington as unclaimed property in the name of the borrower. It is further
5 agreed that, within 120 days from the entry of this Consent Order, Respondents shall cause their
6 counsel to provide the Department with an affidavit attesting that the entire restitution amount has
7 either been received by borrowers or escheated to the state.

8 **H. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
9 investigation fee of \$1,000, in the form of a cashier's check made payable to the "Washington State
10 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together
11 in one \$106,000 cashier's check made payable to the "Washington State Treasurer."

12 **I. Change of Address.** It is AGREED that for the duration of the period this Consent Order
13 is in effect (not to exceed five years from entry), unless otherwise agreed to in writing by the
14 Department, Respondents shall provide the Department with a mailing address and telephone number
15 at which Respondents can be contacted, and Respondents shall notify the Department in writing of
16 any changes to their mailing address or telephone number within fifteen days of any such change.

17 **J. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
18 abide by the terms and conditions of this Consent Order may result in further legal action by the
19 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
20 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

21 **K. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this
22 Consent Order, which is effective when signed by the Director's designee.
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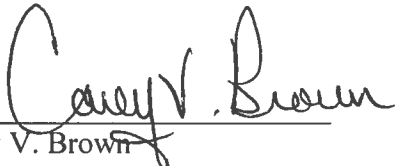
1 **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondents and/or
2 their representatives have read this Consent Order in its entirety and fully understand and agree to all
3 of the same.

4 **M. Authority to Execute Order.** It is AGREED that the undersigned have represented and
5 warranted that they have the full power and right to execute this Consent Order on behalf of the
6 parties represented.

7
8 **RESPONDENTS:**

9 Mycashnow.com, Inc. d/b/a Mycashnow.com

10 By:

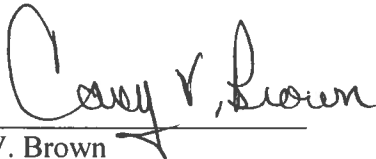
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12 Carey V. Brown
13 President and Owner

11/18/14
Date

14 PayDayMax.com, Ltd. d/b/a Paydaymax.com

15 By:

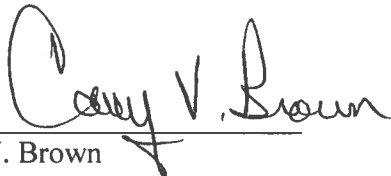
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17 Carey V. Brown
18 President and Owner

11/18/14
Date

19 Discount Advances

20 By:

21 

22 Carey V. Brown
23 President and Owner

11/18/14
Date

Carey V. Brown

Carey V. Brown
Individually

Approved for Entry:

/s/ James M. Lord

November 17, 2014

James M. Lord, WSBA No. 33683
Attorney at Law
Sideman & Bancroft LLP
Attorney for Respondents

Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 25th DAY OF November, 2014.



Deborah Bortner

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

Brigitte Smith
Brigitte Smith
Financial Examiner

Approved by:

Charles E. Clark
Charles E. Clark
Enforcement Chief

CONSENT ORDER
C-14-1546-14-C001
Mycashnow.com, Inc. d/b/a Mycashnow.com,
Paydaymax.com, Ltd. d/b/a Paydaymax.com,
Discount Advances
Carey V. Brown

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RESTITUTION

Borrower	Amount
N.E.	\$3,771.49
R.T.	\$357.53
L.G.	\$765.09
C.B.	\$2,188.17
I.R.	\$1,138.09
R.T.	\$2,526.31
L.P.	\$117.45
S.W.	\$173.56
L.L.	\$995.79
K.M.	\$947.83
M.M.	\$179.19
V.B.	\$845.00 (refund was sent to consumer in March 2014)
M.J.	\$2,395.37
D.V.	\$5,823.82
	<u>TOTAL</u> <u>\$22,224.69</u>