

Terms Completed

**ORDER SUMMARY – Case Number: C-10-167**

**Name(s):** East Side Lenders LLC

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**Order Number:** C-10-167-13-CO01

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**Effective Date:** November 4, 2013

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**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**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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

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**Not Apply Until:** \*

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**Not Eligible Until:** \*

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**Prohibition/Ban Until:** \*

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<b>Investigation Costs</b>	\$1,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 10-31-13
<b>Fine</b>	\$7,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 10-31-13
<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: \*Respondent has agreed not to conduct the business of a Check Casher/Seller or Consumer Loan company in Washington .

Respondent has agreed not to sell or attempt to collect on any outstanding loan made to Washington consumers.

Final Order C-10-167-10-FO01 is withdrawn.



1 Financial Institutions was petitioner and East Side Lenders, LLC were respondent, hereby  
2 acknowledges full satisfaction of the monetary award as set forth in the judgment  
3 recovered against the Respondent on April 27, 2012, under Thurston County cause  
4 number 12-2-00181-0 in reference to Department's Final Order No. C-10-167-10-FO01  
5 issued on July 15, 2010.

6 This Satisfaction of Judgment shall not preclude the Department of Financial  
7 Institutions from seeking relief and/or sanctions from the Court to include but not be limited to  
8 monetary awards from Respondent, East Side Lenders, LLC, should Respondents violate the  
9 non-monetary provisions of the above-referenced Judgment.

10 Dated this 13<sup>th</sup> day of January, 2014.

11 [Redacted Signature]  
12 \_\_\_\_\_  
13 Charles E. Clark  
14 Enforcement Program Manager  
15 Division of Consumer Services  
16 Department of Financial Institutions  
17 Judgment Creditor

18 STATE OF WASHINGTON )  
19 ) ss.  
20 COUNTY OF THURSTON )

21 I certify that I know or have satisfactory evidence that CHARLES CLARK  
22 signed this instrument, on oath and stated that he was authorized to execute the instrument and  
23 acknowledged it pursuant to his authority delegated from the Director of the Division of  
24 Consumer Services of the Washington State Department of Financial Institutions.

25 GIVEN under my hand and official seal this 13<sup>th</sup> day of JANUARY, 2014.



[Redacted Signature]  
NOTARY PUBLIC, My Commission  
Expires: 3/21/16

RECEIVED

APR 27 2012

ENFORCEMENT UNIT  
DIVISION OF CONSUMER SERVICES  
DEPT OF FINANCIAL INSTITUTIONS

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EXPEDITE  
 No Hearing is Set  
 Hearing is Set  
Date: April, 27, 2012  
Time: 9:00 a.m.  
The Honorable *Lisa Sutton*

FILED  
APR 27 2012  
SUPERIOR COURT  
BETTY J. GOULD  
THURSTON COUNTY CLERK

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STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT

STATE OF WASHINGTON,  
DEPARTMENT OF FINANCIAL  
INSTITUTIONS,  
  
Petitioner,  
  
v.  
EAST SIDE LENDERS, LLC,  
  
Respondent.

NO. *12-2-00181-0*  
JUDGMENT  
[PROPOSED] *JS*

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JUDGMENT SUMMARY

Judgment Creditor: Washington Department of Financial Institutions (DFI)  
Attorney for Judgment Creditor: Robert M. McKenna, Washington Attorney General  
Victor M. Minjares, Assistant Attorney General  
Judgment Debtor: East Side Lenders, LLC  
Principal Judgment Amount: \$5,500.00 fine owed to DFI  
Post-Judgment Interest (per annum): Twelve percent (12.0%)  
Other Costs and Fees Owed to DFI: \$931.50 investigation fee  
\$200.00 statutory attorneys' fee  
\$230.00 filing fee  
\$*69.10* service of process costs *JS*  
Total Judgment: \$*6,930.60* *JS*

1 THIS MATTER having come for hearing before the undersigned Judge of the above-  
2 entitled Court, Petitioner, State of Washington, Department of Financial Institutions, being  
3 represented by VICTOR M. MINJARES, Assistant Attorney General, and Respondent, EAST  
4 SIDE LENDERS, LLC, and the court having considered the argument of counsel and records  
5 and files herein, NOW, THEREFORE,

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

7 1. That Respondent, East Side Lenders, LLC, shall comply with the Final Order  
8 issued on July 15, 2010, by the Petitioner, State of Washington, Department of Financial  
9 Institutions, identified as Final Order No. C-10-167-10-FO01;

10 2. That Respondent, East Side Lenders, LLC, is enjoined from offering check  
11 casher, check seller, and payday loan services or conducting the business of a check casher,  
12 check seller, or payday loan provider with consumers located in the State of Washington as  
13 imposed in the Department's Final Order No. C-10-167-10-FO01;

14 3. That Respondent East Side Lenders, LLC, is banned from participation in the  
15 conduct of the affairs of any check casher or seller or payday loan provider subject to licensure  
16 by the Director for a period of five (5) years as imposed in the Department's Final Order No.  
17 C-10-167-10-FO01;

18 4. That Respondent East Side Lenders, LLC, its agents, employees or assigns shall  
19 not collect, attempt to collect, or cause to be collected or attempted to be collected any of the  
20 funds owed by the borrower listed in the Schedule attached to the Final Order and order that  
21 East Side Lenders, LLC, its agents, employees or assigns shall notify all consumer reporting  
22 agencies to delete all references to the transactions between East Side Lenders, LLC, and the  
23 borrower listed in the schedule attached to the Final Order from the consumer reporting  
24 agencies' records as imposed in the Department's Final Order No. C-10-167-10-FO01;


25 5. That Respondent East Side Lenders, LLC, shall maintain records in compliance  
26 with the Check Cashers and Sellers Act (Act) and provide the Department with the location of

1 the books, records, and other information relating to Respondent East Side Lender, LLC's  
2 business, and the name, address, and telephone number of the individual responsible for  
3 maintenance of such records in compliance with the Act as imposed in the Department's Final  
4 Order No. C-10-167-10-FO01; and,

5 6. That the Petitioner, State of Washington, Department of Financial Institutions,  
6 is awarded judgment against Respondent East Side Lenders, LLC, in the amount of  
7 ~~500~~ \$ 6,930.60, representing a fine of \$5,500.00, statutory attorney's fees of \$200.00, a filing  
8 fee of \$230.00, a service of process charge of \$ 69.10, and \$931.50 for an investigation fee,  
9 as imposed in the Department's Final Order No. C-10-167-10-FO01.

10 DONE IN OPEN COURT this 27 day of April, 2012.

11   
12 \_\_\_\_\_  
13 JUDGE

14 Presented by:  
15 ROBERT M. MCKENNA  
16 Attorney General  
17   
18 VICTOR M. MINJARES, WSBA #33946  
19 Assistant Attorney General  
20 Attorney for the State of Washington,  
21 Department of Financial Institutions  
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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:  
EAST SIDE LENDERS, LLC,  
Respondent.

No.: C-10-167-13-CO01  
CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and East Side Lenders, LLC (Respondent), 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:

**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-10-167-10-SC01 (Statement of Charges), entered May 27, 2010, (copy attached hereto). Pursuant to chapter 31.45 RCW, the Check Cashers and Sellers Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges. Respondent is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

1           **A. Jurisdiction.** Respondent consents to the jurisdiction of the Department to enter this  
2 Consent Order, as well as the jurisdiction of the Department and Washington State courts to the  
3 extent required for the Department to enforce all terms contained in this Consent Order, including but  
4 not limited to this provision. The limited consent provided herein may not be construed as a waiver  
5 or consent to jurisdiction for any other purpose as to the Respondent.

6           **B. Waiver of Hearing.** It is AGREED that Respondent waived its right to a hearing by  
7 failing to timely make such a request, and further waives any and all administrative and judicial  
8 review of the issues raised in this matter, or of the resolution reached herein.

9           **C. No Admission of Liability.** It is AGREED that Respondent does not admit to any  
10 wrongdoing by entry of this Consent Order.

11           **D. Agreement to Not Conduct Business in Washington State.** It is AGREED that  
12 Respondent shall not conduct the business of a Check Casher or Check Seller with a small loan  
13 endorsement and will not conduct the business of a Consumer loan company with respect to any  
14 individual located in the state of Washington or asserting Washington residency. Respondent agrees  
15 that this provision precludes it from making small loans (payday loans) or consumer loans to any  
16 individual located in the state of Washington or individual asserting Washington residency.  
17 Respondent further agrees that any loans it has previously made to any individual located in the state  
18 of Washington, or asserting Washington residency, at the time the loan was made prior to the entry of  
19 this Consent Order are not enforceable or collectable. Respondent further agrees that it will not  
20 collect or attempt to collect any outstanding loans that have been made to any individual located in  
21 the state of Washington, or individual asserting Washington residency, at the time the loan was made  
22 prior to the entry of this Consent Order, and will not sell, convey, transfer, or take any other action  
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1 concerning such outstanding loans that would cause or permit any third-party to collect or attempt to  
2 collect such outstanding loans.

3 E. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of  
4 \$7,000 in the form of a cashier's check made payable to the "Washington State Treasure," upon entry  
5 of this Consent Order.

6 F. **Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
7 consent of any person or entity not a party to this Consent Order to take any action concerning their  
8 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
9 Order, this Consent Order does not limit or create any private rights or remedies against Respondent,  
10 limit or create liability of Respondent, or limit or create defenses of Respondent to any claims.

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

15 H. **Withdrawal of Final Order C-10-167-10-FO01.** It is AGREED that upon execution of  
16 this Consent Order by the Directors Designee, Final Order C-10-167-10-FO01 is withdrawn and shall  
17 be removed from the Department's web site. It is further AGREED that the Department will  
18 thereafter cause to be entered in the Thurston County Superior Court a Satisfaction of the Judgment  
19 entered under cause No. 12-2-00181-0

20 I. **Authority to Execute Order.** It is AGREED that the undersigned has represented and  
21 warranted that they have the full power and right to execute this Consent Order on behalf of the  
22 parties represented.

1 J. **Non-Compliance with Order.** It is AGREED that Respondent understands that failure to  
2 abide by the terms and conditions of this Consent Order may result in further legal action by the  
3 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director  
4 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

5 K. **Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this  
6 Consent Order, which is effective when signed by the Director's designee.

7 L. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent's  
8 representatives have read this Consent Order in its entirety and fully understand and agree to all of  
9 the same.

10 **RESPONDENT:**

11 **East Side Lenders, LLC**

12 By: 

13 *Christy Finazzo*

14 Printed Name:

15 Title: *Manager*

16 Date

*10/28/2013*

17 **Approved for Entry:**

18   
19 *18*  
20 David S. Swayze

21 Attorney at Law

22 Parkowski, Guerke & Swayze

23 Attorney for Respondent

24 *(Not admitted in the  
State of Washington)*

Date

*10/29/13*

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THIS ORDER ENTERED THIS 4<sup>th</sup> DAY OF November, 2013




  
DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

 *for*  
Steven C. Sherman  
Financial Legal Examiner Supervisor

Approved by:

  
Charles E. Clark  
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:

EAST SIDE LENDERS,  
Respondent.

NO. C-10-167-10-SC01

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

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**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:

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**I. FACTUAL ALLEGATIONS**

**1.1 Respondent.** East Side Lenders LLC (Respondent) is a Delaware Corporation. Respondent is known to have conducted the business of a payday lender via the internet with consumers located in the State of Washington. Respondent has never been licensed or endorsed by the Washington State Department of Financial Institutions (Department) to conduct the business of a payday lender.

**1.2 Unlicensed Activity.** Respondent engaged in the business of a payday lender or made small loans, via the internet, to at least one borrower located in the State of Washington from at least September 2009 through at least May 2010. To date the Department has not issued a check seller or check casher's license or small loan endorsement to Respondent.



1 **1.3 Misrepresentations.** Respondent represented in letters to the Department, and advertised on its  
2 website, that its contact address is 2711 Centerville Road Suite 120-5900, Wilmington, Delaware, 19808, when,  
3 in fact, this is not a valid contact address for Respondent.

4 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
5 Respondent continues to date.

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

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

11 **2.2 Definition of Check Seller.** Pursuant to RCW 31.45.010(6), a "Check Seller" means and individual,  
12 partnership, unincorporated association, or corporation that, for compensation, engages, in whole or in part, in  
13 the business of or selling checks, drafts, money orders, or other commercial paper serving the same purpose.

14 **2.3 Definition of Small Loan.** Pursuant to RCW 31.45.010(19), a "Small Loan" is defined as a loan up to  
15 the maximum amount and for a period of time up to the maximum term specified in RCW 31.45.073.

16 **2.4 Definition of Licensee.** Pursuant to RCW 31.45.010(12), a "Licensee" is defined as a check casher or  
17 seller licensed by the director to engage in business in accordance with the Act. For the purpose of the  
18 enforcement powers of the Act, "licensee" also means a check casher or seller who fails to obtain the license  
19 required by the Act.

20 **2.5 Requirement to Obtain a Check Casher or Seller License.** Based on the Factual Allegations set  
21 forth in Section I above, Respondent is in apparent violation of RCW 31.45.030(1) for engaging in the business  
22 of a check casher or seller without first obtaining a license from the Director.

23 **2.6 Requirement to Obtain a Small Loan Endorsement.** Based on the Factual Allegations set forth in  
24 Section I above, Respondent is in apparent violation of RCW 31.45.040(1), RCW 31.45.073(1), RCW  
25

1 31.45.079, and RCW 31.45.105(1)(d) for engaging in the business of making small loans without first obtaining  
2 a small loan endorsement from the Director.

3 **2.7 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent is in  
4 apparent violation of RCW 31.45.105(1)(a) and (b) for directly or indirectly employing any scheme, device, or  
5 artifice to defraud or mislead any borrower, or to defraud or mislead any person, or directly or indirectly  
6 engaging in any unfair or deceptive practice toward any person.

7 **2.8 Requirement to Maintain Business Books and Records.** Based on the Factual Allegations set forth  
8 in Section I above, Respondent is in apparent violation of RCW 31.45.060(2) for failing to keep and maintain  
9 the business books, accounts and records as required by the Director for at least two years from the completion  
10 of a transaction.

### 11 III. AUTHORITY TO IMPOSE SANCTIONS

12 **3.1 Authority to Issue Cease and Desist Order.** Pursuant to RCW 31.45.110(2)(b), the Director may  
13 order a licensee to cease and desist from practices in violation of the Act or practices that constitute unsafe and  
14 unsound financial practices in the sale of checks.

15 **3.2 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the Director  
16 may remove from office or ban from participation in the conduct of the affairs of any licensee any director,  
17 officer, sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the  
18 Act including rules and orders, or commits any act or engages in conduct that demonstrates incompetence or  
19 untrustworthiness, or is a source of injury or loss to the public.

20 **3.3 Authority to Order Restitution.** Pursuant to RCW 31.45.105(2) and RCW 31.45.110(2)(d), the  
21 Director may order restitution to borrowers damaged by the licensee's violation of this chapter.

22 **3.4 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a fine, not to  
23 exceed one hundred dollars per day for each day's violation of the Act, on any licensee or applicant, or any  
24 director, officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant, that is  
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1 violating or has violated the Act including rules and orders, or commits any act or engages in conduct that  
2 demonstrates incompetence or untrustworthiness, or is a source of injury or loss to the public.

3 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC 208-  
4 630-015, WAC 208-630-020, WAC 208-630-023 and WAC 208-630-02303, the Director shall collect from the  
5 licensee the actual cost of an examination or investigation of the business, books, accounts, records, files, or other  
6 information of a licensee or person who the Director has reason to believe is engaging in the business governed by  
7 the Act. The investigation charge will be calculated at the rate of sixty-nine dollars and one cent (\$69.01) per hour  
8 that each staff person devoted to the investigation, plus actual expenses.

### 9 III. NOTICE OF INTENTION TO ENTER ORDER

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

- 13 **4.1** Respondent East Side Lenders LLC cease and desist offering check casher, check seller, and payday loan  
14 services or otherwise conducting the business of a check casher, check seller, or payday loan provider in  
15 the state of Washington; and
- 16 **4.2** Respondent East Side Lenders LLC be banned from participation in the conduct of the affairs of any Check  
17 seller, check casher, or check casher with a small loan endorsement subject to licensure by the Director, in  
18 any manner, for a period of five (5) years; and
- 19 **4.3** Respondent East Side Lenders LLC refund all fees or monies it collected from the borrowers referenced in  
20 paragraph 1.2 above, and shall notify all consumer reporting agencies to delete all references to the  
21 transactions between Respondent East Side Lenders LLC and the borrowers from their records; and
- 22 **4.4** Respondent East Side Lenders LLC pay a fine, which as of the date of these charges totals \$5,500; and
- 23 **4.5** Respondent East Side Lenders LLC pay an investigation fee, which as of the date of these charges, totals  
24 \$931.50, calculated at \$69 per hour for thirteen and one half staff hours devoted to the investigation; and
- 25 **4.6** Respondent East Side Lenders LLC shall maintain records in compliance with the Act and provide the  
Department with the location of the books, records and other information relating to Respondent East Side  
Lenders LLC's business, and the name, address and telephone number of the individual responsible for  
maintenance of such records in compliance with the Act.

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**IV. AUTHORITY AND PROCEDURE**

This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Prohibit from the Industry, Order Restitution, Impose Fine, and Collect Investigation Fees (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 27<sup>th</sup> day of May, 2010.



[Redacted signature]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted signature]

MARNIE SHEERAN  
Financial Legal Examiner

Approved by:

[Redacted signature]

JAMES R. BRUSSELBACK  
Enforcement Chief