

ORDER SUMMARY – Case Number: C-10-167

Name(s): East Side Lenders LLC

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

Effective Date: November 4, 2013

License Number: Unlicensed

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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

Not Apply Until: *

Not Eligible Until: *

Prohibition/Ban Until: *

Investigation Costs	\$1,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 10-31-13
Fine	\$7,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 10-31-13
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input checked="" 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Final Order C-10-167-10-FO01 is withdrawn.

FILED

APR - 2 2014

SUPERIOR COURT
BETTY J. GOULD
THURSTON COUNTY CLERK

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

SATISFACTION OF JUDGMENT

(CLERK'S ACTION REQUIRED)

JUDGMENT SUMMARY

Judgment Creditor:	State of Washington, Department of Financial Institutions
Attorney for Judgment Creditor:	Ian S. McDonald Assistant Attorney General WSBA #41403
Judgment Debtor:	East Side Lenders, LLC
Amount of Judgment:	\$5,500.00
Post-Judgment Interest (Per Annum):	12%
Total Judgment (before interest):	<u>\$6,930.60</u>
Total Judgment (after interest):	<u>\$8,000.00</u>

IT IS HEREBY ACKNOWLEDGED THAT the State of Washington, Department of Financial Institutions, the judgment creditor in the above-described action in the Superior Court of the State of Washington for the County of Thurston, wherein the Department of

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 13th day of January, 2014.

11
12 [Redacted Signature]
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 13th day of JANUARY, 2014.



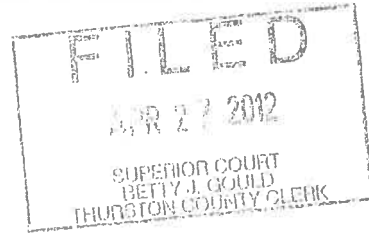
27 NOTARY PUBLIC, My Commission
28 Expires: 3/21/16

RECEIVED

APR 27 2012

ENFORCEMENT UNIT
DIVISION OF CONSUMER SERVICES
DEPT OF FINANCIAL INSTITUTIONS

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



STATE OF WASHINGTON
THURSTON COUNTY SUPERIOR COURT

STATE OF WASHINGTON,
DEPARTMENT OF FINANCIAL
INSTITUTIONS,

NO. *12-2-00181-0*

JUDGMENT
[PROPOSED] *JS*

Petitioner,

v.

EAST SIDE LENDERS, LLC,

Respondent.

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 cashier, check seller, and payday loan services or conducting the business of a check cashier,
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 cashier 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;

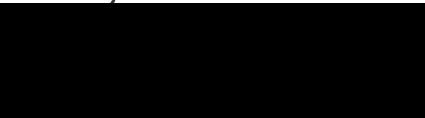
25 5. That Respondent East Side Lenders, LLC, shall maintain records in compliance
26 with the Check Cashers and Sellers Act (Act) and provide the Department with the location of

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 \$ 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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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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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 4th DAY OF November, 2013



[Redacted signature]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted signature] *for*

Steven C. Sherman
Financial Legal Examiner Supervisor

Approved by:

[Redacted signature]

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:

NO. C-10-167-10-SC01

EAST SIDE LENDERS,

Respondent.

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

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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
25

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:

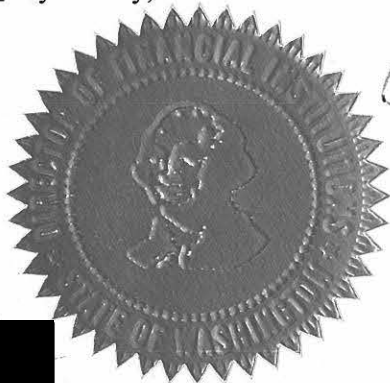
- 13 **4.1** Respondent East Side Lenders LLC cease and desist offering check casher, check seller, and payday loan
14 services or otherwise conducting the business of a check casher, check seller, or payday loan provider in
15 the state of Washington; and
- 16 **4.2** Respondent East Side Lenders LLC 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 27th 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