

**STATE OF NEBRASKA**  
**Department of Banking & Finance**

IN THE MATTER OF:	)	
	)	FINDINGS OF FACT
Great Plains Specialty Finance, Inc.,	)	CONCLUSIONS OF LAW
d/b/a Check ‘n Go,	)	AND
4640 Champlain Drive, Suite 117,	)	CONSENT AGREEMENT
Lincoln, Lancaster County, Nebraska	)	

THIS MATTER comes before the Nebraska Department of Banking and Finance (“DEPARTMENT”), by and through its Director, pursuant to its authority under the Delayed Deposit Services Licensing Act, Neb. Rev. Stat. §§ 45-901 to 45-929 (Reissue 2004; Cum. Supp. 2008) (“the Act”). Pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008), the DEPARTMENT has examined the books, accounts, and records of Great Plains Specialty Finance, Inc., d/b/a Check ‘n Go, 4640 Champlain Drive, Suite 117, Lincoln, Lancaster County, Nebraska (“CHECK ‘N GO”). As a result of such examination, and being duly advised and informed in the matter, the Director and CHECK ‘N GO enter into the following Findings of Fact, Conclusions of Law, and Consent Agreement.

**FINDINGS OF FACT**

1. CHECK ‘N GO holds a delayed deposit services business license under the Act. License #1841 was originally issued on March 10, 1998. The license has been renewed annually on May 1<sup>st</sup> since that time, pursuant to Neb. Rev. Stat. § 45-910 (Cum. Supp. 2008).

2. On December 3, 2007, the DEPARTMENT commenced an examination of CHECK ‘N GO pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008). This

examination included an on-site visitation of CHECK 'N GO's two Lincoln, Lancaster County, Nebraska locations.

3. On July 22, 2008, the DEPARTMENT commenced an examination of CHECK 'N GO pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008). This examination included an on-site visitation of CHECK 'N GO's two Lincoln, Lancaster County, Nebraska locations.

4. The December 3, 2007 Report of Examination ("2007 Report") was forwarded to CHECK 'N GO on June 9, 2008. The July 22, 2008 Report of Examination ("2008 Report") was forwarded to CHECK 'N GO on November 14, 2008. The Reports noted a number of violations of the Act. CHECK 'N GO submitted responses received by the DEPARTMENT on July 22, 2008, for the 2007 Report and December 22, 2008, for the 2008 Report.

5. References in this Consent Agreement to customers of CHECK 'N GO will be by way of initials, in order to protect the privacy of such customers. CHECK 'N GO knows or should know the identity of these customers. If CHECK 'N GO is unable to ascertain the identity of these customers, the DEPARTMENT will provide a list of these customers upon receipt of a written request.

6. The DEPARTMENT has reviewed the responses received by CHECK 'N GO and has taken them into consideration in determining the appropriate actions to be taken in this matter.

7. The previous regular examinations of CHECK 'N GO conducted on February 15, 2005 ("2005 Exam") and November 13, 2006 ("2006 Exam") noted a number of violations of the Act resulting in Consent Agreements with the effective dates of

November 5, 2007, and January 8, 2009, respectively. Repeat violations will be noted below.

8. The 2007 Report noted forty-three (43) instances where CHECK 'N GO did not accurately keep or maintain customer records.

9. CHECK 'N GO's failure to accurately keep and maintain customer records in forty-three (43) instances represents forty-three (43) separate violations of Neb. Rev. Stat. § 45-915.01 (Cum. Supp. 2008).

10. The 2007 Report noted eighty-one (81) instances where CHECK 'N GO failed to maintain copies of checks for its customers.

11. CHECK 'N GO's failure to maintain copies of checks in eighty-one (81) instances represents eighty-one (81) separate repeat violations of Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008) as noted in the 2006 Exam and corresponding Consent Agreement.

12. The 2007 Report noted four (4) instances where CHECK 'N GO held checks from a single maker with an aggregate face value greater than \$500.00 for customers TH, JF, and JP(2).

13. CHECK 'N GO's holding of checks from a single maker with an aggregate face value greater than \$500.00 in four (4) instances represents four (4) repeat violations of Neb. Rev. Stat. § 45-919(1)(b) (Cum. Supp. 2008) as noted in both the 2005 Exam and the 2006 Exam and corresponding Consent Agreements.

14. The 2007 Report noted seventeen (17) instances where CHECK 'N GO held checks longer than the statutorily allowed time. The 2008 Report noted fifteen (15) instances where CHECK 'N GO held checks longer than the statutorily allowed time.

15. CHECK 'N GO's holding of checks longer than the statutorily allowed time in thirty-two (32) instances represents thirty-two (32) separate repeat violations of Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008) as noted in the 2005 Exam and the 2006 Exam and corresponding Consent Agreements.

16. The 2007 Report noted three (3) instances where CHECK 'N GO failed to maintain Same Day Transaction Verification Forms ("SDTVFs") for customers KA and SAV(2).

17. CHECK 'N GO's failure to maintain SDTVFs in three (3) instances represents three (3) repeat violations of Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) and Neb. Rev. Stat. 45-915.01(2) (Cum. Supp. 2008) as noted in the 2006 Exam and corresponding Consent Agreement.

18. The 2007 Report noted two hundred two (202) instances where CHECK 'N GO failed to obtain completed SDTVFs for its customers.

19. CHECK 'N GO's failure to obtain completed SDTVFs in two hundred two (202) instances represents two hundred two (202) violations of Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) and Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).

20. The DEPARTMENT could conclude that the actions of CHECK 'N GO warrant the commencement of administrative proceedings to determine whether it should impose an administrative fine in an amount up to five thousand dollars per violation, plus investigation costs, pursuant to Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008).

21. The DEPARTMENT incurred a minimum of seven hundred fifty dollars in investigation costs in this matter.

## **CONCLUSIONS OF LAW**

1. Neb. Rev. Stat. § 45-908 (Reissue 2004) provides that in order to issue a delayed deposit services business license, the Director must determine that the character and general fitness of the applicant and its officers, directors, and shareholders are such as to warrant a belief that the business will be operated honestly, fairly, efficiently, and in accordance with the Act.

2. Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008) provides that a licensee shall, at a minimum, include in its books and records copies of all application materials relating to makers, disclosure agreements, checks, payment receipts, and proofs of compliance required by Section 45-919.

3. Neb. Rev. Stat. § 45-919(1)(b) (Cum. Supp. 2008) provides that no licensee shall at any one time hold from any one maker a check or checks in an aggregate face amount of more than five hundred dollars.

4. Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008) provides that no licensee shall hold or agree to hold a check for more than thirty-four days.

5. Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) sets forth acts which are prohibited to a licensee. These acts include entering into another delayed deposit transaction with the same maker on the same business day as the completion of a delayed deposit transaction unless prior to entering into the transaction the maker and the licensee verify on a form prescribed by the DEPARTMENT that completion of the prior delayed deposit transaction has occurred.

6. Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008) provides that if the Director finds, after notice and opportunity for hearing, that any person has violated the Act, the Director

may order such person to pay an administrative fine of not more than five thousand dollars for each separate violation and the costs of an investigation.

7. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that CHECK 'N GO has violated the Act, and that an administrative fine in an amount of not more than five thousand dollars for each separate violation plus costs of investigation should be imposed in accordance with Neb. Rev. Stat. § 45-925 (Cum. Supp. 2008).

8. Under the Act's statutory framework, the Director has the legal and equitable authority to fashion significant remedies.

9. It is in the best interest of CHECK 'N GO, and it is in the best interest of the public, for CHECK 'N GO and the DEPARTMENT to resolve the issues included herein.

### **CONSENT AGREEMENT**

The DEPARTMENT and CHECK 'N GO agree as follows:

Stipulations: In connection with this Consent Agreement, CHECK 'N GO and the Director stipulate to the following:

1. The DEPARTMENT has jurisdiction as to all matters herein.
2. This Consent Agreement shall resolve all matters raised by the DEPARTMENT's December 3, 2007 and July 22, 2008 examinations of CHECK 'N GO. Should future circumstances warrant, the facts from this matter may be considered in a future administrative action by the DEPARTMENT.
3. This Consent Agreement shall be in lieu of all other proceedings available to the DEPARTMENT, except as specifically referenced in this Consent Agreement.

CHECK 'N GO further represents as follows:

1. CHECK 'N GO is aware of its right to a hearing on these matters at which it may be represented by counsel, present evidence, and cross examine witnesses. The right to such a hearing, and any related appeal, is irrevocably waived.

2. CHECK 'N GO is acting free from any duress or coercion of any kind or nature.

3. This Consent Agreement is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for the purpose of this Consent Agreement and for no other purpose.

IT IS, THEREFORE AGREED as follows:

1. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of one hundred dollars (\$100.00) for each of the forty-three (43) instances it failed to keep and maintain customers' records in violation of Neb. Rev. Stat. § 45-915.01.

2. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of nine thousand dollars (\$9,000.00) for failing to maintain copies of checks in repeat violation of Neb. Rev. Stat. § 45-915.01(2).

3. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of five hundred dollars (\$500.00) for each of the four (4) instances it held checks from a single maker with an aggregate face value greater than \$500.00 in repeat violation of Neb. Rev. Stat. § 45-919(1)(b).

4. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of eight thousand dollars (\$8,000.00) for holding

customers' checks longer than the statutorily allowed time in repeat violation of Neb. Rev. Stat. § 45-919(1)(c).

5. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of two hundred fifty dollars (\$250.00) for each of the three (3) instances it failed to maintain SDTVFs in repeat violation of Neb. Rev. Stat. § 45-919(1)(g) and Neb. Rev. Stat. § 45-915.01(2).

6. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay a fine of five thousand dollars (\$5,000.00) for failing to obtain completed SDTVFs in violation of Neb. Rev. Stat. § 45-919(1)(g) and Neb. Rev. Stat. § 45-915.01(2).

7. Within ten (10) days after the effective date of this Consent Agreement, CHECK 'N GO shall pay the DEPARTMENT's investigation costs in the amount of seven hundred fifty dollars (\$750.00).

8. The total amount of the fines, twenty-nine thousand-fifty dollars (\$29,050.00), plus the total amount of investigation costs, seven hundred fifty dollars (\$750.00), shall be payable in one check or money order in the amount of twenty-nine thousand eight hundred dollars (\$29,800.00) to the DEPARTMENT.

9. In the event CHECK 'N GO fails to comply with any of the provisions of this Consent Agreement, the DEPARTMENT may commence such action regarding CHECK 'N GO as it deems necessary and appropriate in the public interest.

10. If, at any time, the DEPARTMENT determines CHECK 'N GO has committed any other violations of the Act, the DEPARTMENT may take any action available to it under the Act.



11. The effective date of this Consent Agreement will be the date of the Director's signature.

DATED this 18<sup>th</sup> day of August, 2009.

**Great Plains Specialty Finance, Inc.  
d/b/a Check 'n Go**

By: Candace Sheridan  
Candace Sheridan, Director of Compliance

7755 Montgomery Road, Suite 400  
Cincinnati, Ohio 45236

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DATED this 19<sup>th</sup> day of August, 2009.

**STATE OF NEBRASKA  
DEPARTMENT OF BANKING AND FINANCE**

By: John Munn  
John Munn, Director

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