

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

IN THE MATTER OF:	)	FINDINGS OF FACT
Ace Cash Express, Inc.,	)	CONCLUSIONS OF LAW
10916 Q Street,	)	AND
Omaha, Douglas County, Nebraska	)	CONSENT AGREEMENT

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; Supp. 2009) (“the Act”). Pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008), the DEPARTMENT has examined the books, accounts, and records of Ace Cash Express, Inc., 10916 Q Street, Omaha, Douglas County, Nebraska (“ACE”). As a result of such examination, and being duly advised and informed in the matter, the Director and ACE enter into the following Findings of Fact, Conclusions of Law, and Consent Agreement.

**FINDINGS OF FACT**

1. ACE holds a delayed deposit services business license under the Act. License #1963 was originally issued on February 28, 2006. 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 October 6, 2008, the DEPARTMENT commenced an examination of ACE pursuant to Neb. Rev. Stat. § 45-920 (Cum. Supp. 2008). This examination included an on-site visitation of ACE’s Omaha, Douglas County, Nebraska location.
3. The October 6, 2008 Report of Examination (“Report”) was forwarded to ACE on November 21, 2008. The Report noted a number of violations of the Act. ACE

submitted responses received by the DEPARTMENT on December 29, 2008, and October 19, 2009.

4. The DEPARTMENT has reviewed the responses submitted by ACE and has taken them into consideration in determining the appropriate actions to be taken in these matters.

5. References in this Consent Agreement to customers of ACE will be by way of initials, in order to protect the privacy of such customers. ACE knows or should know the identity of these customers. If ACE 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 Report noted thirty-seven (37) instances where ACE failed to properly maintain customer records.

7. ACE's failure to properly maintain customer records in thirty-seven (37) instances represents thirty-seven (37) separate violations of Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).

8. The Report noted four (4) instances where ACE held checks for customers AL, PL, KF, and DB longer than statutorily allowed.

9. ACE's holding of customer checks longer than statutorily allowed in four (4) instances represents four (4) separate violations of Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008).

10. The Report noted thirty-six (36) instances where ACE failed to obtain completed Same Day Transaction Verification Forms ("SDTVFs") for its customers.

11. ACE's failure to obtain SDTVFs in thirty-six (36) instances represents thirty-six (36) separate violations of Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) and Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).

12. The DEPARTMENT could conclude that the actions of ACE 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).

13. The DEPARTMENT incurred a minimum of five hundred 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)(c) (Cum. Supp. 2008) provides that no licensee shall hold or agree to hold a check for more than thirty-four days.

4. Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) provides that a licensee shall not enter 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. The DEPARTMENT has prescribed the SDTVF for this purpose.

5. 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.

6. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that ACE 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).

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

8. It is in the best interest of ACE, and it is in the best interest of the public, for ACE and the DEPARTMENT to resolve the issues included herein.

## **CONSENT AGREEMENT**

The DEPARTMENT and ACE agree as follows:

Stipulations: In connection with this Consent Agreement, ACE 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 October 6, 2008 examination of ACE. 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.

ACE further represents as follows:

1. ACE 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. ACE 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, ACE shall pay a fine of one hundred dollars (\$100.00) for each of the thirty-seven (37) instances it failed to properly maintain customer records in violation of Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).
2. Within ten (10) days after the effective date of this Consent Agreement, ACE shall pay a fine of two hundred fifty dollars (\$250.00) for each of the four (4) instances it held customer checks longer than statutorily allowed in violation of Neb. Rev. Stat. § 45-919(1)(c) (Cum. Supp. 2008).
3. Within ten (10) days after the effective date of this Consent Agreement, ACE shall pay a fine of fifty dollars (\$50.00) for each of the thirty-six (36) instances it failed to obtain completed SDTVFs for its customers in violation of Neb. Rev. Stat. § 45-919(1)(g) (Cum. Supp. 2008) and Neb. Rev. Stat. § 45-915.01(2) (Cum. Supp. 2008).

4. Within ten (10) days after the effective date of this Consent Agreement, ACE shall pay the DEPARTMENT's investigation costs in the amount of five hundred dollars (\$500.00).

5. The total amount of the fine, six thousand five hundred dollars (\$6,500.00), plus the total amount of investigation costs, five hundred dollars (\$500.00), shall be payable in one check or money order in the amount of seven thousand dollars (\$7,000.00) to the DEPARTMENT.

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

7. If, at any time, the DEPARTMENT determines ACE has committed any other violations of the Act, the DEPARTMENT may take any action available to it under the Act.

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

DATED this 26<sup>th</sup> day of March, 2010.

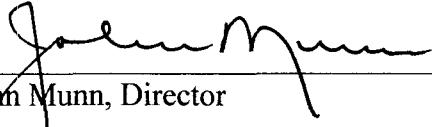
**ACE CASH EXPRESS, INC.**

By: Ted. M. Eades  
Ted. M. Eades, Vice President  
Senior  
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Irving, Texas 75038  
(972) 550-5000

DATED this 1<sup>st</sup> day of April, 2010.

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

By:

  
John Munn, Director

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