

1  
2 ORIGINAL

3 STATE OF WASHINGTON  
4 DEPARTMENT OF FINANCIAL INSTITUTIONS  
5 CONSUMER SERVICES DIVISION

6 IN THE MATTER OF DETERMINING  
7 Whether there has been a violation of the  
8 Check Cashers and Sellers Act of Washington by:

NO. C-05-031-06-CO01

9 EXPRESSIT, INC., and  
10 CARL E. EHRESMAN, President, Vice-President  
11 and Chairman of the Board of Directors, and  
12 ELAINE L. EHRESMAN, Secretary and Treasurer,  
13 Respondents.

CONSENT ORDER

14 COMES NOW the Director of the Department of Financial Institutions (Director), through his designee  
15 Chuck Cross, Division Director, Division of Consumer Services, and Expressit, Inc., Carl E. Ehresman, President,  
16 Vice-President and Chairman of the Board of Directors, and Elaine L. Ehresman, Secretary and Treasurer  
17 (collectively Respondents) by and through their attorney C. Scott Kee, and finding that the issues raised in the  
18 captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This  
19 Consent Order is entered pursuant to chapter 31.45 of Revised Code of Washington (RCW), and RCW 34.05.060  
20 of the Administrative Procedure Act, based on the following:

21 **AGREEMENT AND ORDER**

22 The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents  
23 have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-05-031-05-SC01  
24 (Statement of Charges), entered November 18, 2005, (copy attached hereto). Pursuant to chapter 31.45 RCW, the  
25 Check Cashers and Sellers Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents  
hereby agree to the Department's entry of this Consent Order and further agree 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.

Based upon the foregoing:

CONSENT ORDER

1

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
150 Israel Rd SW  
PO Box 41200  
Olympia, WA 98504-1200  
(360) 902-8795

1           **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the  
2 activities discussed herein.

3           **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing  
4 before an administrative law judge, and that they have waived their right to a hearing and any and all  
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.  
6 Accordingly, Respondents agree to withdraw their appeal and to inform the Office of Administrative Hearings in  
7 writing of their withdrawal.

8           **C. Prohibition from Industry.** It is AGREED that Respondent Carl E. Ehresman is prohibited from  
9 participating in the conduct of the affairs of any Check Casher or Check Seller licensed by the Department or  
10 required to be licensed by the Department, in any capacity, for the remainder of his natural life. It is further  
11 AGREED that Respondent Elaine L. Ehresman is prohibited from participating in the conduct of the affairs of any  
12 Check Casher or Check Seller licensed by the Department or required to be licensed by the Department, in any  
13 capacity, for the remainder of her natural life. It is further AGREED that Respondent Expressit, Inc. is prohibited  
14 from participating in the conduct of the affairs of any Check Casher or Check Seller licensed by the Department or  
15 required to be licensed by the Department, in any capacity, for the remainder of its legal existence. It is further  
16 AGREED that such prohibition of Respondents shall include, but is not limited to: (1) any financial capacity  
17 whether active or passive or (2) as an officer, director, principal, or employee.

18           **D. Application for License.** It is AGREED that Respondent Carl E. Ehresman shall not apply to the  
19 Department for any license or endorsement issued pursuant to chapter 31.45 RCW under any name for the  
20 remainder of his natural life. It is further AGREED that Respondent Elaine L. Ehresman shall not apply to the  
21 Department for any license or endorsement issued pursuant to chapter 31.45 RCW under any name for the  
22 remainder of her natural life. It is further AGREED that Respondent Expressit, Inc. shall not apply to the  
23 Department for any license or endorsement issued pursuant to chapter 31.45 RCW under any name for the  
24 remainder of its legal existence.

1           **E. Restitution.** It is AGREED that Respondents shall make restitution of \$304,490.75 to three hundred  
2 fifty-two (352) borrowers for interest or fees collected, consisting of \$112,986.25 in "Principal Outstanding" due  
3 from borrowers and \$191,504.50 in "Net Cash Restitution" due to borrowers, pursuant to the attached Schedule of  
4 Restitution (Attachment A). It is further AGREED that Respondents waive any and all legal right to collect the  
5 \$112,986.25 in the "Principal Outstanding" column of Attachment A. It is further AGREED that Respondents  
6 shall be jointly and severally responsible for making payment of the \$191,504.50 in the "Net Cash Restitution"  
7 column of Attachment A to borrowers. Such payment must be made in the form of a check from the trust account  
8 of Respondents' attorneys, Ditlevson Rodgers Dixon, P.S., and sent to borrowers' last known address via the  
9 United States Mail within thirty (30) days of the entry of this Consent Order. It is further AGREED that  
10 Respondents shall provide the Department with written proof of such payments within forty-five (45) days of the  
11 date of entry of this Consent Order. The "written proof" at a minimum must consist of copies of the front and  
12 back of cancelled checks. If restitution cannot be made to any particular borrower, Respondents shall take the  
13 necessary steps to escheat such funds to the State of Washington Department of Revenue and provide the  
14 Department with written proof of such action.

15           **F. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an investigation fee  
16 of \$8,483.46 in the form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this  
17 Consent Order.

18           **G. Authority to Execute Order.** It is AGREED that the undersigned Respondents have represented and  
19 warranted that they have the full power and right to execute this Consent Order on behalf of the parties  
20 represented.

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



1 J. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read this  
2 Consent Order in its entirety and fully understand and agree to all of the same.

3 **RESPONDENTS:**

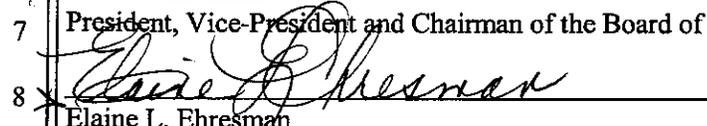
4 **Expressit, Inc.**

5 By:

6   
Carl E. Ehresman

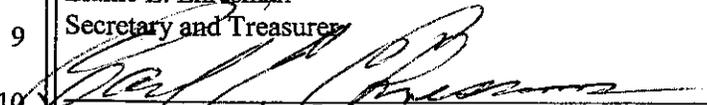
8/30/06  
Date

7 President, Vice-President and Chairman of the Board of Directors

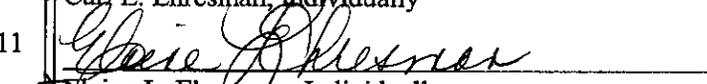
8   
Elaine L. Ehresman

8/30/06  
Date

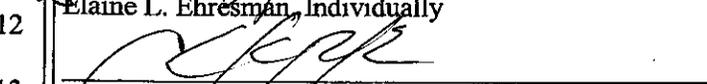
9 Secretary and Treasurer

10   
Carl E. Ehresman, Individually

Date

11   
Elaine L. Ehresman, Individually

8/30/2006  
Date

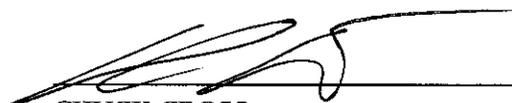
12   
C. Scott Kee, WSBA 28173  
13 Attorney at Law  
14 Attorney for Respondents

Date

15 DO NOT WRITE BELOW THIS LINE

16 THIS ORDER ENTERED THIS 30th DAY OF AUGUST, 2006.





24  
25  
CHUCK CROSS  
Director  
Division of Consumer Services  
Department of Financial Institutions

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
1	\$ 1,844.25	\$ 500.00	\$ 1,344.25
2	\$ 1,005.00	\$ 500.00	\$ 505.00
3	\$ 1,530.00	\$ 600.00	\$ 930.00
4	\$ 353.00	\$ -	\$ 353.00
5	\$ 758.00	\$ 350.00	\$ 408.00
6	\$ 390.00	\$ 200.00	\$ 190.00
7	\$ 159.00	\$ -	\$ 159.00
8	\$ 570.00	\$ 200.00	\$ 370.00
9	\$ 568.50	\$ 200.00	\$ 368.50
10	\$ 1,549.00	\$ 575.00	\$ 974.00
11	\$ 1,466.50	\$ 450.00	\$ 1,016.50
12	\$ 195.00	\$ -	\$ 195.00
13	\$ 810.00	\$ 300.00	\$ 510.00
14	\$ 628.50	\$ 300.00	\$ 328.50
15	\$ 827.50	\$ 200.00	\$ 627.50
16	\$ 3,834.00	\$ 700.00	\$ 3,134.00
17	\$ 615.00	\$ 500.00	\$ 115.00
18	\$ 394.00	\$ 300.00	\$ 94.00
19	\$ 309.50	\$ 300.00	\$ 9.50
20	\$ 585.00	\$ 300.00	\$ 285.00
21	\$ 900.00	\$ -	\$ 900.00
22	\$ 1,021.00	\$ 400.00	\$ 621.00
23	\$ 421.75	\$ 275.00	\$ 146.75
24	\$ 420.00	\$ -	\$ 420.00
25	\$ 951.00	\$ 125.00	\$ 826.00
26	\$ 495.00	\$ -	\$ 495.00
27	\$ 780.00	\$ 300.00	\$ 480.00
28	\$ 705.00	\$ 500.00	\$ 205.00
29	\$ 1,350.00	\$ 500.00	\$ 850.00
30	\$ 885.00	\$ 500.00	\$ 385.00
31	\$ 118.50	\$ -	\$ 118.50
32	\$ 330.00	\$ 300.00	\$ 30.00
33	\$ 79.00	\$ -	\$ 79.00
34	\$ 975.00	\$ 400.00	\$ 575.00
35	\$ 429.50	\$ 429.50	\$ -
36	\$ 105.00	\$ -	\$ 105.00
37	\$ 120.00	\$ -	\$ 120.00
38	\$ 1,470.00	\$ 600.00	\$ 870.00
39	\$ 527.50	\$ 300.00	\$ 227.50
40	\$ 45.00	\$ -	\$ 45.00
41	\$ 900.00	\$ -	\$ 900.00
42	\$ 698.00	\$ 250.00	\$ 448.00
43	\$ 510.00	\$ -	\$ 510.00
44	\$ 1,185.00	\$ 500.00	\$ 685.00
45	\$ 857.50	\$ 350.00	\$ 507.50
46	\$ 1,471.00	\$ 425.00	\$ 1,046.00
47	\$ 735.00	\$ -	\$ 735.00
48	\$ 1,020.00	\$ 500.00	\$ 520.00
49	\$ 806.50	\$ 200.00	\$ 606.50
50	\$ 570.00	\$ -	\$ 570.00
51	\$ 1,239.50	\$ 400.00	\$ 839.50
52	\$ 1,241.50	\$ 350.00	\$ 891.50
53	\$ 30.00	\$ -	\$ 30.00

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
54	\$ 79.00	\$ -	\$ 79.00
55	\$ 60.00	\$ -	\$ 60.00
56	\$ 30.00	\$ -	\$ 30.00
57	\$ 188.00	\$ 188.00	\$ -
58	\$ 585.00	\$ 250.00	\$ 335.00
59	\$ 514.75	\$ 350.00	\$ 164.75
60	\$ 590.00	\$ -	\$ 590.00
61	\$ 1,065.00	\$ 400.00	\$ 665.00
62	\$ 470.50	\$ 250.00	\$ 220.50
63	\$ 2,280.00	\$ 800.00	\$ 1,480.00
64	\$ 2,280.00	\$ 800.00	\$ 1,480.00
65	\$ 1,140.00	\$ 400.00	\$ 740.00
66	\$ 855.75	\$ 400.00	\$ 455.75
67	\$ 705.00	\$ -	\$ 705.00
68	\$ 765.00	\$ -	\$ 765.00
69	\$ 2,068.00	\$ 900.00	\$ 1,168.00
70	\$ 1,050.00	\$ 500.00	\$ 550.00
71	\$ 45.00	\$ -	\$ 45.00
72	\$ 1,335.00	\$ -	\$ 1,335.00
73	\$ 229.00	\$ 229.00	\$ -
74	\$ 295.25	\$ 200.00	\$ 95.25
75	\$ 9.50	\$ -	\$ 9.50
76	\$ 505.50	\$ 300.00	\$ 205.50
77	\$ 375.00	\$ 200.00	\$ 175.00
78	\$ 900.00	\$ -	\$ 900.00
79	\$ 1,470.00	\$ 700.00	\$ 770.00
80	\$ 360.00	\$ -	\$ 360.00
81	\$ 135.00	\$ -	\$ 135.00
82	\$ 699.50	\$ -	\$ 699.50
83	\$ 460.75	\$ 400.00	\$ 60.75
84	\$ 973.50	\$ 500.00	\$ 473.50
85	\$ 405.00	\$ -	\$ 405.00
86	\$ 1,110.00	\$ 500.00	\$ 610.00
87	\$ 4,509.00	\$ 1,875.00	\$ 2,634.00
88	\$ 1,054.00	\$ 500.00	\$ 554.00
89	\$ 90.00	\$ -	\$ 90.00
90	\$ 220.50	\$ -	\$ 220.50
91	\$ 664.75	\$ -	\$ 664.75
92	\$ 705.00	\$ 300.00	\$ 405.00
93	\$ 75.00	\$ -	\$ 75.00
94	\$ 1,361.25	\$ 900.00	\$ 461.25
95	\$ 90.00	\$ 90.00	\$ -
96	\$ 555.00	\$ 300.00	\$ 255.00
97	\$ 810.00	\$ -	\$ 810.00
98	\$ 542.00	\$ 150.00	\$ 392.00
99	\$ 889.00	\$ 300.00	\$ 589.00
100	\$ 945.00	\$ -	\$ 945.00
101	\$ 60.00	\$ -	\$ 60.00
102	\$ 810.00	\$ 400.00	\$ 410.00
103	\$ 660.00	\$ -	\$ 660.00
104	\$ 189.50	\$ -	\$ 189.50
105	\$ 2,731.00	\$ 50.00	\$ 2,681.00
106	\$ 705.00	\$ 705.00	\$ -

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
107	\$ 2,260.00	\$ 1,000.00	\$ 1,260.00
108	\$ 1,952.00	\$ 700.00	\$ 1,252.00
109	\$ 1,620.00	\$ 600.00	\$ 1,020.00
110	\$ 270.00	\$ 270.00	\$ -
111	\$ 120.00	\$ -	\$ 120.00
112	\$ 750.00	\$ 300.00	\$ 450.00
113	\$ 210.00	\$ -	\$ 210.00
114	\$ 321.25	\$ -	\$ 321.25
115	\$ 1,337.00	\$ 600.00	\$ 737.00
116	\$ 1,995.50	\$ 775.00	\$ 1,220.50
117	\$ 120.00	\$ -	\$ 120.00
118	\$ 1,425.00	\$ 500.00	\$ 925.00
119	\$ 501.75	\$ 200.00	\$ 301.75
120	\$ 135.00	\$ -	\$ 135.00
121	\$ 75.00	\$ 75.00	\$ -
122	\$ 315.00	\$ -	\$ 315.00
123	\$ 1,110.00	\$ -	\$ 1,110.00
124	\$ 1,440.00	\$ 600.00	\$ 840.00
125	\$ 252.50	\$ -	\$ 252.50
126	\$ 225.00	\$ -	\$ 225.00
127	\$ 210.00	\$ -	\$ 210.00
128	\$ 120.00	\$ -	\$ 120.00
129	\$ 711.00	\$ 579.00	\$ 132.00
130	\$ 360.00	\$ -	\$ 360.00
131	\$ 414.50	\$ -	\$ 414.50
132	\$ 1,335.00	\$ 500.00	\$ 835.00
133	\$ 1,621.50	\$ 800.00	\$ 821.50
134	\$ 2,169.50	\$ 1,300.00	\$ 869.50
135	\$ 150.00	\$ -	\$ 150.00
136	\$ 450.00	\$ -	\$ 450.00
137	\$ 75.00	\$ -	\$ 75.00
138	\$ 1,504.00	\$ -	\$ 1,504.00
139	\$ 300.00	\$ 300.00	\$ -
140	\$ 2,214.50	\$ 800.00	\$ 1,414.50
141	\$ 360.00	\$ -	\$ 360.00
142	\$ 2,550.00	\$ 500.00	\$ 2,050.00
143	\$ 900.00	\$ -	\$ 900.00
144	\$ 804.50	\$ -	\$ 804.50
145	\$ 69.50	\$ -	\$ 69.50
146	\$ 1,146.25	\$ 300.00	\$ 846.25
147	\$ 345.00	\$ -	\$ 345.00
148	\$ 309.50	\$ -	\$ 309.50
149	\$ 1,189.50	\$ 125.00	\$ 1,064.50
150	\$ 450.00	\$ 450.00	\$ -
151	\$ 1,620.00	\$ 900.00	\$ 720.00
152	\$ 180.00	\$ -	\$ 180.00
153	\$ 1,689.00	\$ 500.00	\$ 1,189.00
154	\$ 57.50	\$ -	\$ 57.50
155	\$ 15.00	\$ -	\$ 15.00
156	\$ 150.00	\$ -	\$ 150.00
157	\$ 270.00	\$ -	\$ 270.00
158	\$ 600.00	\$ 400.00	\$ 200.00
159	\$ 795.50	\$ 350.00	\$ 445.50

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
160	\$ 346.75	\$ 250.00	\$ 96.75
161	\$ 1,575.00	\$ 1,000.00	\$ 575.00
162	\$ 373.50	\$ 100.00	\$ 273.50
163	\$ 30.00	\$ -	\$ 30.00
164	\$ 1,020.00	\$ -	\$ 1,020.00
165	\$ 180.00	\$ 100.00	\$ 80.00
166	\$ 675.00	\$ -	\$ 675.00
167	\$ 804.50	\$ 300.00	\$ 504.50
168	\$ 405.00	\$ -	\$ 405.00
169	\$ 150.00	\$ -	\$ 150.00
170	\$ 1,425.00	\$ 500.00	\$ 925.00
171	\$ 495.00	\$ -	\$ 495.00
172	\$ 1,195.50	\$ 450.00	\$ 745.50
173	\$ 1,573.75	\$ 425.00	\$ 1,148.75
174	\$ 555.00	\$ 500.00	\$ 55.00
175	\$ 1,125.00	\$ 700.00	\$ 425.00
176	\$ 932.50	\$ -	\$ 932.50
177	\$ 927.00	\$ 200.00	\$ 727.00
178	\$ 495.00	\$ 400.00	\$ 95.00
179	\$ 840.00	\$ -	\$ 840.00
180	\$ 497.50	\$ 400.00	\$ 97.50
181	\$ 739.50	\$ 300.00	\$ 439.50
182	\$ 15.00	\$ -	\$ 15.00
183	\$ 150.00	\$ -	\$ 150.00
184	\$ 1,303.00	\$ 500.00	\$ 803.00
185	\$ 2,535.00	\$ 800.00	\$ 1,735.00
186	\$ 67.00	\$ 67.00	\$ -
187	\$ 1,815.00	\$ -	\$ 1,815.00
188	\$ 360.00	\$ -	\$ 360.00
189	\$ 640.00	\$ 225.00	\$ 415.00
190	\$ 876.50	\$ 500.00	\$ 376.50
191	\$ 750.00	\$ 500.00	\$ 250.00
192	\$ 510.50	\$ 200.00	\$ 310.50
193	\$ 1,089.50	\$ 500.00	\$ 589.50
194	\$ 870.00	\$ 200.00	\$ 670.00
195	\$ 135.00	\$ 135.00	\$ -
196	\$ 1,575.00	\$ 300.00	\$ 1,275.00
197	\$ 223.50	\$ -	\$ 223.50
198	\$ 315.00	\$ 100.00	\$ 215.00
199	\$ 120.00	\$ 120.00	\$ -
200	\$ 544.00	\$ 300.00	\$ 244.00
201	\$ 584.50	\$ 250.00	\$ 334.50
202	\$ 49.00	\$ -	\$ 49.00
203	\$ 1,080.00	\$ 400.00	\$ 680.00
204	\$ 1,995.00	\$ 700.00	\$ 1,295.00
205	\$ 1,614.50	\$ 700.00	\$ 914.50
206	\$ 780.00	\$ -	\$ 780.00
207	\$ 1,215.00	\$ 500.00	\$ 715.00
208	\$ 279.50	\$ -	\$ 279.50
209	\$ 786.75	\$ 175.00	\$ 611.75
210	\$ 847.00	\$ 600.00	\$ 247.00
211	\$ 450.00	\$ -	\$ 450.00
212	\$ 744.50	\$ -	\$ 744.50

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
213	\$ 240.00	\$ -	\$ 240.00
214	\$ 370.00	\$ -	\$ 370.00
215	\$ 716.00	\$ -	\$ 716.00
216	\$ 695.25	\$ -	\$ 695.25
217	\$ 45.00	\$ -	\$ 45.00
218	\$ 780.00	\$ -	\$ 780.00
219	\$ 855.00	\$ -	\$ 855.00
220	\$ 1,056.25	\$ 700.00	\$ 356.25
221	\$ 1,650.00	\$ -	\$ 1,650.00
222	\$ 900.00	\$ -	\$ 900.00
223	\$ 2,265.00	\$ 900.00	\$ 1,365.00
224	\$ 907.00	\$ 125.00	\$ 782.00
225	\$ 1,185.00	\$ 400.00	\$ 785.00
226	\$ 717.00	\$ -	\$ 717.00
227	\$ 45.00	\$ -	\$ 45.00
228	\$ 1,068.00	\$ 400.00	\$ 668.00
229	\$ 195.00	\$ 195.00	\$ -
230	\$ 332.50	\$ 150.00	\$ 182.50
231	\$ 1,350.00	\$ 400.00	\$ 950.00
232	\$ 960.00	\$ -	\$ 960.00
233	\$ 193.50	\$ -	\$ 193.50
234	\$ 300.00	\$ -	\$ 300.00
235	\$ 915.00	\$ 300.00	\$ 615.00
236	\$ 2,565.00	\$ 950.00	\$ 1,615.00
237	\$ 285.00	\$ 100.00	\$ 185.00
238	\$ 777.50	\$ 225.00	\$ 552.50
239	\$ 2,320.00	\$ 875.00	\$ 1,445.00
240	\$ 765.00	\$ 200.00	\$ 565.00
241	\$ 1,031.00	\$ -	\$ 1,031.00
242	\$ 1,083.00	\$ 600.00	\$ 483.00
243	\$ 990.00	\$ -	\$ 990.00
244	\$ 765.00	\$ 300.00	\$ 465.00
245	\$ 30.00	\$ 30.00	\$ -
246	\$ 396.25	\$ -	\$ 396.25
247	\$ 129.50	\$ 129.50	\$ -
248	\$ 1,372.50	\$ -	\$ 1,372.50
249	\$ 795.00	\$ -	\$ 795.00
250	\$ 885.00	\$ 200.00	\$ 685.00
251	\$ 868.50	\$ 250.00	\$ 618.50
252	\$ 849.50	\$ 250.00	\$ 599.50
253	\$ 82.00	\$ -	\$ 82.00
254	\$ 765.00	\$ -	\$ 765.00
255	\$ 1,265.50	\$ 400.00	\$ 865.50
256	\$ 514.75	\$ -	\$ 514.75
257	\$ 462.00	\$ 150.00	\$ 312.00
258	\$ 45.00	\$ -	\$ 45.00
259	\$ 450.00	\$ -	\$ 450.00
260	\$ 772.00	\$ 500.00	\$ 272.00
261	\$ 1,314.50	\$ -	\$ 1,314.50
262	\$ 165.00	\$ -	\$ 165.00
263	\$ 690.00	\$ 200.00	\$ 490.00
264	\$ 240.00	\$ 200.00	\$ 40.00
265	\$ 557.00	\$ 300.00	\$ 257.00

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
266	\$ 30.00	\$ -	\$ 30.00
267	\$ 986.50	\$ 350.00	\$ 636.50
268	\$ 1,224.50	\$ 500.00	\$ 724.50
269	\$ 585.00	\$ 200.00	\$ 385.00
270	\$ 1,545.00	\$ 300.00	\$ 1,245.00
271	\$ 2,271.00	\$ 750.00	\$ 1,521.00
272	\$ 420.00	\$ -	\$ 420.00
273	\$ 1,578.50	\$ 500.00	\$ 1,078.50
274	\$ 2,369.00	\$ 1,700.00	\$ 669.00
275	\$ 120.00	\$ -	\$ 120.00
276	\$ 936.50	\$ 500.00	\$ 436.50
277	\$ 682.50	\$ -	\$ 682.50
278	\$ 495.00	\$ 495.00	\$ -
279	\$ 2,235.00	\$ -	\$ 2,235.00
280	\$ 1,247.50	\$ 600.00	\$ 647.50
281	\$ 960.00	\$ 500.00	\$ 460.00
282	\$ 610.00	\$ 400.00	\$ 210.00
283	\$ 853.50	\$ -	\$ 853.50
284	\$ 90.00	\$ -	\$ 90.00
285	\$ 1,389.50	\$ 500.00	\$ 889.50
286	\$ 240.00	\$ -	\$ 240.00
287	\$ 1,542.00	\$ 750.00	\$ 792.00
288	\$ 319.50	\$ -	\$ 319.50
289	\$ 1,989.50	\$ 900.00	\$ 1,089.50
290	\$ 66.00	\$ 50.00	\$ 16.00
291	\$ 1,129.00	\$ 950.00	\$ 179.00
292	\$ 390.00	\$ 300.00	\$ 90.00
293	\$ 233.50	\$ 150.00	\$ 83.50
294	\$ 225.00	\$ 225.00	\$ -
295	\$ 85.00	\$ 85.00	\$ -
296	\$ 704.00	\$ 300.00	\$ 404.00
297	\$ 150.00	\$ 150.00	\$ -
298	\$ 342.00	\$ 250.00	\$ 92.00
299	\$ 1,110.00	\$ 500.00	\$ 610.00
300	\$ 1,260.00	\$ 1,000.00	\$ 260.00
301	\$ 1,500.00	\$ 500.00	\$ 1,000.00
302	\$ 2,754.50	\$ 2,754.50	\$ -
303	\$ 4,500.00	\$ 2,600.00	\$ 1,900.00
304	\$ 647.00	\$ 647.00	\$ -
305	\$ 1,359.50	\$ 540.00	\$ 819.50
306	\$ 750.00	\$ 500.00	\$ 250.00
307	\$ 1,697.50	\$ 500.00	\$ 1,197.50
308	\$ 375.00	\$ 375.00	\$ -
309	\$ 810.00	\$ 500.00	\$ 310.00
310	\$ 1,295.50	\$ 747.00	\$ 548.50
311	\$ 508.50	\$ 380.00	\$ 128.50
312	\$ 17,310.00	\$ 14,000.00	\$ 3,310.00
313	\$ 2,040.00	\$ 1,585.00	\$ 455.00
314	\$ 457.50	\$ 76.25	\$ 381.25
315	\$ 968.00	\$ 200.00	\$ 768.00
316	\$ 780.00	\$ 200.00	\$ 580.00
317	\$ 4,110.00	\$ 3,200.00	\$ 910.00
318	\$ 900.00	\$ 700.00	\$ 200.00

SCHEDULE OF RESTITUTION

Borrower	Interest/Fees Collected	Principal Outstanding	Net Cash Restitution
319	\$ 69.50	\$ 69.50	\$ -
320	\$ 2,145.00	\$ 600.00	\$ 1,545.00
321	\$ 585.00	\$ 585.00	\$ -
322	\$ 60.00	\$ -	\$ 60.00
323	\$ 375.00	\$ -	\$ 375.00
324	\$ 949.00	\$ 750.00	\$ 199.00
325	\$ 760.50	\$ -	\$ 760.50
326	\$ 75.00	\$ -	\$ 75.00
327	\$ 302.50	\$ -	\$ 302.50
328	\$ 2,475.00	\$ -	\$ 2,475.00
329	\$ 675.00	\$ 200.00	\$ 475.00
330	\$ 1,631.50	\$ 450.00	\$ 1,181.50
331	\$ 75.00	\$ -	\$ 75.00
332	\$ 1,064.50	\$ -	\$ 1,064.50
333	\$ 585.00	\$ 585.00	\$ -
334	\$ 555.00	\$ 200.00	\$ 355.00
335	\$ 90.00	\$ -	\$ 90.00
336	\$ 39.50	\$ -	\$ 39.50
337	\$ 1,757.50	\$ -	\$ 1,757.50
338	\$ 2,160.00	\$ 100.00	\$ 2,060.00
339	\$ 612.00	\$ -	\$ 612.00
340	\$ 525.00	\$ 500.00	\$ 25.00
341	\$ 120.00	\$ 120.00	\$ -
342	\$ 195.00	\$ -	\$ 195.00
343	\$ 30.00	\$ -	\$ 30.00
344	\$ 135.00	\$ -	\$ 135.00
345	\$ 765.00	\$ 600.00	\$ 165.00
346	\$ 324.50	\$ -	\$ 324.50
347	\$ 1,179.50	\$ -	\$ 1,179.50
348	\$ 1,303.50	\$ 600.00	\$ 703.50
349	\$ 265.00	\$ -	\$ 265.00
350	\$ 1,513.00	\$ 300.00	\$ 1,213.00
351	\$ 875.75	\$ 250.00	\$ 625.75
352	\$ 334.00	\$ -	\$ 334.00
	<u>\$ 304,490.75</u>	<u>\$ 112,986.25</u>	<u>\$ 191,504.50</u>

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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION**

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Check Cashers and Sellers Act of Washington by:

EXPRESSIT, INC., and  
CARL E. EHRESMAN, President, Vice-President  
and Chairman of the Board of Directors, and  
ELAINE L. EHRESMAN, Secretary and Treasurer,  
Respondents.

NO. C-05-031-05-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO IMPOSE FINE, ORDER  
RESTITUTION, BAN FROM INDUSTRY,  
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 November 18, 2005 the Director institutes this proceeding and finds as follows:

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**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

A. **Expressit, Inc. (Expressit)** was incorporated in the State of Washington on September 10, 1992 and has maintained a corporate license in the State of Washington to date. The nature of Respondent Expressit's business is listed as "Pawn Shop – Mailboxes – Mailing" in the Profit Corporation License Renewal and Annual Reports filed by Respondents for Respondent Expressit with the State of Washington Department of Licensing Master Licensing Service in or around August 2004 and August 2005. Respondent Expressit holds licenses from the City of Lacey, Washington to conduct the following businesses: "Second Hand / Pawn Shop-In" and "Postal Service / Private / Courier Ser-In."

B. **Carl Ehresman (C. Ehresman)** is listed as President, Vice-President, and Chairman of the Board of Directors of Respondent Expressit in the Profit Corporation License Renewal and Annual Reports filed by

1 Respondents for Respondent Expressit with the State of Washington Department of Licensing Master Licensing  
2 Service in or around August 2004 and August 2005.

3 C. **Elaine Ehresman** is listed as Secretary and Treasurer of Respondent Expressit in the Profit  
4 Corporation License Renewal and Annual Reports filed by Respondents for Respondent Expressit with the State of  
5 Washington Department of Licensing Master Licensing Service in or around August 2004 and August 2005.

6 **1.2 Location.** For at least the period beginning July 2003 through February 24, 2005, Respondents have  
7 conducted business from 800 Sleater-Kinney Rd SE, Lacey Washington 98503.

8 **1.3 Check Cashier License with Small Loan Endorsement.** To date, the Department of Financial  
9 Institutions of the State of Washington (Department) has not issued a license to, or received an application  
10 from, any of the Respondents to conduct the business of a check cashier with a small loan endorsement. To  
11 date, the Department has not issued a license to, or received an application from, any person to conduct the  
12 business of a check cashier with a small loan endorsement from the address listed in paragraph 1.2. The  
13 Department also has reason to believe that, for at least the period beginning July 2003 through February 24,  
14 2005, Respondents have not had the statutorily required surety bond to engage in the business of making small  
15 loans.

16 **1.4 Temporary Order to Cease and Desist.** On February 24, 2005, the Department issued Temporary  
17 Order to Cease and Desist C-05-031-05-TD01 (TCD) and served the TCD on Respondents. The TCD ordered  
18 Respondents to immediately cease and desist from: the making of any small loans and from all small loan  
19 activity regulated under the Act at any locations; and engaging in any loan business or from negotiation of loan  
20 activity regulated under the Act at any locations. Respondents filed timely applications requesting an  
21 adjudicative hearing on the TCD. On April 25, 2005, Respondents withdrew their applications for adjudicative  
22 hearing on the TCD and agreed to the continuation of the TCD pending completion of the Department's  
23 investigation.

24 **1.5 Unauthorized Making of Small Loans.** Respondents have engaged in the business of making small  
25 loans from the address listed in paragraph 1.2 from at least July 2003 through February 24, 2005.



1 **1.6 Failing to Disclose Terms of Small Loans to Borrowers.** Respondents have failed to provide  
2 borrowers with statutorily required written agreements or written disclosures during the course of making small  
3 loans.

4 A. During the February 15, 2005 visit by Department personnel discussed in paragraph 1.5A,  
5 Respondent C. Ehresman stated that the only written document related to a small loan provided to borrowers by  
6 Respondents is a slip of paper with blank spaces for the transaction date, receipt number, borrower's social security  
7 number, borrower's name, cash received, check number, check amount, borrower signature, and the following text:

8 "I ACKNOWLEDGE RECEIPT OF THE ABOVE AMOUNT FROM CASHING  
9 MY CHECK AND I REQUEST EXPRESS LOANS TO DEPOSIT MY CHECK ON  
10 MY PAYDAY, WHICH DATE IS \_\_\_\_\_. THERE IS A 15 DAY WAITING  
PERIOD AFTER THE DATE OF DEPOSIT OF YOUR CHECK BEFORE  
ANOTHER CHECK CAN BE CASHED UNLESS YOU PROVIDE PROOF  
SHOWING IT HAS CLEARED \*\* NO EXCEPTION\*\*  
\*\*\*\*\* \$30.00 CHARGE ON ALL RETURNED CHECKS \*\*\*\*\*"

11 B. None of the small loan files discussed in paragraph 1.5C contain copies of statutorily required  
12 written agreements or written disclosures.

13 **1.7 Making Small Loans in Excess of Statutory Maximum.** Respondents have provided borrowers with  
14 small loans with aggregated principal exceeding seven hundred dollars (\$700.00) at any one time.

15 A. As of February 15, 2005, at least twenty-four (24) borrowers had small loans due to  
16 Respondents with aggregated principal exceeding seven hundred dollars (\$700.00). At least seven (7) of these  
17 borrowers had small loans due to Respondents with aggregated principal of one thousand four hundred dollars  
18 (\$1,400.00) or more (twice the statutory limit), and at least four (4) of these borrowers had small loans due to  
19 Respondents with aggregated principal of two thousand one hundred dollars (\$2,100.00) or more (three times  
20 the statutory limit). The highest aggregated principal balance of any of these borrowers was at least eight  
thousand dollars (\$8,000.00).

21 B. Between July 2003 and February 15, 2005, Respondents made at least ninety-seven (97) small  
22 loans, with aggregated principal balances exceeding seven hundred dollars (\$700.00) at any one time, to at least  
23 eleven (11) borrowers.

1 **1.8 Charging Interest or Fees on Small Loans in Excess of Statutory Maximum.** Respondents have  
2 charged interest or fees in the aggregate exceeding fifteen percent (15%) of the first five hundred dollars  
3 (\$500.00) of aggregated principal and ten percent (10%) of the next two hundred dollars (\$200.00) of  
4 aggregated principal of small loans outstanding at any one time.

5 A. During the February 15, 2005 visit by Department personnel discussed in paragraph 1.5A,  
6 Respondent C. Ehresman stated that Respondents charge fifteen dollars (\$15.00) of interest in each loan period for  
7 each one hundred dollars (\$100.00) loaned, and loan up to seven hundred dollars (\$700.00) per loan period.

8 B. As of February 15, 2005, at least forty-six (46) borrowers had small loans outstanding with  
9 Respondents where interest or fees were being charged that, in the aggregate, exceeded fifteen percent (15%) of  
10 the first five hundred dollars (\$500.00) of aggregated principal and ten percent (10%) of the next two hundred  
11 dollars (\$200.00) of aggregated principal.

12 C. Between July 2003 and February 15, 2005, Respondents made at least one hundred forty-two  
13 (142) small loans where interest or fees were charged that, in the aggregate, exceeded fifteen percent (15%) of  
14 the first five hundred dollars (\$500.00) of aggregated principal and ten percent (10%) of the next two hundred  
15 dollars (\$200.00) of aggregated principal, to at least thirteen (13) borrowers.

16 **1.9 Accepting Multiple Postdated Checks.** Respondents have accepted more than one postdated check  
17 per small loan as security for the small loan. As of February 15, 2005, at least sixty-three (63) borrowers had  
18 provided two (2) or more postdated checks as security for their outstanding small loans.

19 **1.10 Small Loans Repaid with Proceeds of Successive Small Loans (Rolling).** Respondents have allowed  
20 borrowers to extend existing small loans by paying the interest portion of their small loan balance when the  
21 small loan was due and either allowing Respondents to change the date on their postdated check to a later date  
22 or exchanging their postdated check for a new check postdated to a later date than the original, effectively  
23 allowing borrowers to repay small loans with proceeds from successive small loans. This practice is commonly  
24 referred to as rolling loans.

1 A. During the February 15, 2005 visit by Department personnel discussed in paragraph 1.5A,  
2 Respondent C. Ehresman stated that borrowers are allowed to extend their small loans for up to thirty (30) days by  
3 paying the interest portion of their small loan balance or by providing a new check in exchange for the check held  
4 as collateral by Respondents. Respondent C. Ehresman referred to this practice as "rolling" or "extending" the  
5 loan.

6 B. Between July 2003 and February 15, 2005, at least thirteen (13) borrowers were allowed to repay  
7 small loans with proceeds from successive small loans at least once. At least eight (8) of these borrowers  
8 extended their small loans throughout the entire period:

- 9 • one borrower appears to have been extending small loans with aggregated principal balances ranging  
10 from \$600 to \$1,875.00 since at least August 1997, paying over \$19,500.00 in interest during that  
11 period and still owing Respondents \$2,160.75 (including interest) as of February 15, 2005;
- 12 • one borrower appears to have been extending small loans with aggregated principal balances of  
13 \$800.00 since at least March 2000, paying almost \$7,000.00 in interest during that period and still  
14 owing Respondents \$920.00 (including interest) as of February 15, 2005;
- 15 • one borrower appears to have been extending small loans with aggregated principal balances of  
16 \$200.00 since at least May 2000, paying over \$1,700.00 in interest during that period and still owing  
17 Respondents \$230.00 (including interest) as of February 15, 2005;
- 18 • one borrower appears to have been extending small loans with aggregated principal balances of  
19 \$400.00 since at least June 2000, paying almost \$3,400.00 in interest during that period and still  
20 owing Respondents \$460.00 (including interest) as of February 15, 2005;
- 21 • one borrower appears to have been extending small loans with aggregated principal balances ranging  
22 from \$800.00 to \$850.00 since at least June 2001, paying almost \$5,300.00 in interest during that  
23 period and still owing Respondents \$920.00 (including interest) as of February 15, 2005;
- 24 • one borrower appears to have been extending small loans with aggregated principal balances ranging  
25 from \$500.00 to \$800.00 since at least August 2001, paying almost \$3,700.00 in interest during that  
period and still owing Respondents \$575.00 (including interest) as of February 15, 2005;
- one borrower appears to have been extending small loans with aggregated principal balances ranging  
from \$400.00 to \$1,700.00 since at least December 2002, paying over \$3,000.00 in interest during  
that period and still owing Respondent Expressit \$1,955.00 (including interest) as of February 15,  
2005;
- one borrower appears to have been extending small loans with aggregated principal balances ranging  
from \$500.00 to \$1,300.00 since at least September 2003, paying \$2,100.00 in interest during that  
period and still owing Respondents \$1,495.00 (including interest) as of February 15, 2005.

21 **1.11 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
22 Respondents continues to date.

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1 **II. GROUNDS FOR ENTRY OF ORDER**

2 **2.1 Definition of Check Casher.** Pursuant to RCW 31.45.010(5), a “Check Casher” is defined as an  
3 individual, partnership, unincorporated association, or corporation that, for compensation, engages, in whole or  
4 in part, in the business of cashing checks, drafts, money orders, or other commercial paper serving the same  
5 purpose.

6 **2.2 Definition of Licensee.** Pursuant to RCW 31.45.010(12), a “Licensee” is defined as a check casher or  
7 seller licensed by the director to engage in business in accordance with the Act. For the purpose of the  
8 enforcement powers of the Act, including the power to issue cease and desist orders under RCW 31.45.110,  
9 “licensee” also means a check casher or seller who fails to obtain the license required by the Act.

10 **2.3 Definition of Small Loan.** Pursuant to RCW 31.45.010(19), a “Small Loan” is defined as a loan up to  
11 the maximum amount and for a period of time up to the maximum term specified in RCW 31.45.073. (See  
12 paragraph 2.7).

13 **2.4 Check Casher License Required.** Based on the Factual Allegations set forth in Section I above,  
14 Respondents are in apparent violation of RCW 31.45.030(1) for engaging in the business of a check casher  
15 without first obtaining a license from the Director.

16 **2.5 Small Loan Endorsement Required.** Based on the Factual Allegations set forth in Section I above,  
17 Respondents are in apparent violation of RCW 31.45.070 and RCW 31.45.073 for engaging in the business of  
18 making small loans without first obtaining a small loan endorsement from the Director.

19 **2.6 Small Loan Disclosures Required.** Based on the Factual Allegations set forth in Section I above,  
20 Respondents are in apparent violation of RCW 31.45.088(3), WAC 208-630-065, WAC 208-630-068 and WAC  
21 208-630-080(3) for failing to provide disclosures to small loan borrowers including the terms of the small loan,  
22 the principal amount of the small loan, the total of payments of the small loan, the fee or interest rate charged by  
23 the licensee on the small loan, and the annual percentage rate resulting from this fee or interest rate.

1 **2.7 Statutory Maximum Principal Amount of Small Loan.** Based on the Factual Allegations set forth in  
2 Section I above, Respondents are in apparent violation of RCW 31.45.073(2) for making small loans with  
3 aggregated principal exceeding seven hundred dollars (\$700.00) at any one time.

4 **2.8 Statutory Maximum Interest or Fees on Small Loan.** Based on the Factual Allegations set forth in  
5 Section I above, Respondents are in apparent violation of RCW 31.45.073(3) for charging interest or fees in the  
6 aggregate exceeding fifteen percent (15%) of the first five hundred dollars (\$500.00) of principal and ten  
7 percent (10%) of the next two hundred dollars (\$200.00) of principal of the small loans.

8 **2.9 Acceptance of Multiple Postdated Checks.** Based on the Factual Allegations set forth in Section I  
9 above, Respondents are in apparent violation of RCW 31.45.073(4) for accepting more than one postdated  
10 check per small loan as security for the small loan.

11 **2.10 Small Loan Repaid with Proceeds of Another Small Loan.** Based on the Factual Allegations set  
12 forth in Section I above, Respondents are in apparent violation of RCW 31.45.073(4) and WAC 208-630-  
13 085(2)(a) for redeeming post dated checks held as collateral for small loans with subsequent post dated checks,  
14 and for applying the proceeds of subsequent small loans to outstanding small loans.

15 **2.11 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a fine, not to  
16 exceed one hundred dollars per day for each day's violation of the Act, on any licensee or applicant, or any  
17 director, officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant, that is  
18 violating or has violated the Act including rules and orders, or is a source of injury or loss to the public.

19 **2.12 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order restitution  
20 to borrowers damaged by the licensee's violation of this chapter.

21 **2.13 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110(2)(e), the Director  
22 may remove from office or ban from participation in the conduct of the affairs of any licensee any director,  
23 officer, sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the  
24 Act including rules and orders, or is a source of injury or loss to the public.

1 **2.14 Authority to Charge Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC 208-  
2 630-015, WAC 208-630-020, WAC 208-630-023 and WAC 208-630-02303, the Director shall collect from the  
3 licensee the actual cost of an examination or investigation of the business, books, accounts, records, files, or other  
4 information of a licensee or person who the Director has reason to believe is engaging in the business governed by  
5 the Act. The investigation charge will be calculated at the rate of sixty-nine dollars and one cent (\$69.01) per hour  
6 that each staff person devoted to the investigation, plus actual expenses.

### 7 **III. NOTICE OF INTENTION TO ENTER ORDER**

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

- 11 **3.1** Respondents Expressit, Inc., Carl Ehresman, and Elaine Ehresman jointly and severally pay a fine of  
12 \$72,800 for:
- 13 **a.** Engaging in the business of a check casher making small loans without a check casher license with a  
14 small loan endorsement, calculated at \$100 per day for 578 days; and
  - 15 **b.** Failing to disclose the terms of small loans to borrowers, calculated at \$100 per day for 30 days; and
  - 16 **c.** Making small loans in excess of the statutory maximum, calculated at \$100 per day for 30 days; and
  - 17 **d.** Charging interest or fees on small loans in excess of the statutory maximum, calculated at \$100 per day  
18 for 30 days; and
  - 19 **e.** Accepting multiple postdated checks for small loans, calculated at \$100 per day for 30 days; and
  - 20 **f.** Allowing small loans to be repaid with the proceeds of successive small loans, calculated at \$100 per  
21 day for 30 days; and
- 22 **3.2** Respondents Expressit, Inc., Carl Ehresman, and Elaine Ehresman jointly and severally pay restitution to  
23 all affected borrowers for any interest or fees collected on small loans originated without a license from  
24 July 2003 through the date of this order; and
- 25 **3.3** Respondent Expressit, Inc. be banned from participation in the conduct of the affairs of any check casher or  
check casher with a small loan endorsement or check seller subject to licensure by the Director, in any  
manner, for a period of five (5) years; and
- 3.4** Respondent Carl Ehresman be banned from participation in the conduct of the affairs of any check casher  
or check casher with a small loan endorsement or check seller subject to licensure by the Director, in any  
manner, for a period of five (5) years; and
- 3.5** Respondent Elaine Ehresman be banned from participation in the conduct of the affairs of any check casher  
or check casher with a small loan endorsement or check seller subject to licensure by the Director, in any  
manner, for a period of five (5) years; and

1 3.6 Respondents Expressit, Inc., Carl Ehresman, and Elaine Ehresman jointly and severally pay an  
2 investigation fee in the amount of \$8,483.46, calculated at \$69.01 per hour for ninety-four (94) staff hours  
devoted to the investigation plus \$1,996.52 in expenses related to the investigation.

3 **IV. AUTHORITY AND PROCEDURE**

4 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine, Order Restitution, Ban  
5 from Industry, and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of  
6 RCW 31.45.110 and RCW 31.45.200, and is subject to the provisions of chapter 34.05 RCW (The  
7 Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the  
8 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this  
9 Statement of Charges.

10 Dated this 18th day of November, 2005.

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13 CHUCK CROSS  
14 Director  
15 Division of Consumer Services  
16 Department of Financial Institutions

17 Presented by:  
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24  
25 Mark T. Olson  
Financial Examiner



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION

IN THE MATTER OF DETERMINING:  
Whether there has been a violation of the Check  
Cashers and Sellers Act of Washington by:

C-05-031-05-TD01

EXPRESSIT, INC., and  
CARL E. EHRESMAN, President, Vice-President  
and Chairman of the Board of Directors, and  
ELAINE L. EHRESMAN, Secretary and Treasurer,  
Respondents.

TEMPORARY ORDER TO  
CEASE AND DESIST

THE STATE OF WASHINGTON TO: Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

AND TO: Carl Ehresman  
Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

AND TO: Elaine Ehresman  
Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

COMES NOW the Director of the Washington State Department of Financial Institutions (Director), by and through her designee Chuck Cross, Division Director, Division of Consumer Services (designee), and finding that the public is likely to be substantially injured by delay in issuing a cease and desist order, the Director, through her designee, enters this temporary cease and desist order pursuant to chapter 31.45 RCW, the Check Cashers and Sellers Act (Act), based on the following findings. The referenced statutes (RCW) and rules (WAC) are attached, in pertinent part.

**I. FACTUAL FINDINGS**

**1.1 Respondents:**

A. **Expressit, Inc. (Expressit)** was incorporated in the State of Washington on September 10, 1992 and has maintained a corporate license in the State of Washington to date. The nature of Respondent Expressit's business is listed as "Pawn Shop - Mailboxes - Mailing" in the Profit Corporation License Renewal

1 and Annual Report filed by Respondents for Respondent Expressit with the State of Washington Department of  
2 Licensing Master Licensing Service in or around August 2004. Respondent Expressit holds licenses from the City  
3 of Lacey, Washington to conduct the following businesses: "Second Hand / Pawn Shop-In" and "Postal Service /  
4 Private / Courier Ser-In."

5 B. **Carl Ehresman (C. Ehresman)** is listed as President, Vice-President, and Chairman of  
6 the Board of Directors of Respondent Expressit in the Profit Corporation License Renewal and Annual Report  
7 filed by Respondents for Respondent Expressit with the State of Washington Department of Licensing Master  
8 Licensing Service in or around August 2004.

9 C. **Elaine Ehresman** is listed as Secretary and Treasurer of Respondent Expressit in the  
10 Profit Corporation License Renewal and Annual Report filed by Respondents for Respondent Expressit with the  
11 State of Washington Department of Licensing Master Licensing Service in or around August 2004.

12 1.2 **Location.** For at least the period beginning July 2003 through the date of this order, the  
13 Department has reason to believe that Respondents have conducted business from 800 Sleater-Kinney Rd SE,  
14 Lacey Washington 98503.

15 1.3 **Check Casher License with Small Loan Endorsement.** To date, the Department of  
16 Financial Institutions of the State of Washington (Department) has not issued a license to, or received an  
17 application from, any of the Respondents to conduct the business of a check casher with a small loan  
18 endorsement. To date, the Department has not issued a license to, or received an application from, any person  
19 to conduct the business of a check casher with a small loan endorsement from the address listed in paragraph  
20 1.2. The Department also has reason to believe that, for at least the period beginning July 2003 through the  
21 date of this order, Respondents have not had the statutorily required surety bond to engage in the business of  
22 making small loans.

23 1.4 **Unauthorized Making of Small Loans.** The Department has reason to believe that  
24 Respondents have engaged in the business of making small loans from the address listed in paragraph 1.2 from  
25 at least July 2003 through the date of this order.

1           A.     On February 15, 2005, Department personnel visited Respondents at the address listed in  
2 paragraph 1.2. During that visit, Respondent C. Ehresman stated that Respondents:

- 3                 • give small loans for periods of up to thirty (30) days; and
- 4                 • give small loans from one hundred dollars (\$100.00) up to seven hundred dollars  
5                 (\$700.00) per loan period; and
- 6                 • charge fifteen dollars (\$15.00) of interest per loan period for each one hundred dollars  
7                 (\$100.00) loaned; and
- 8                 • have approximately one hundred (100) small loans outstanding at any one time; and
- 9                 • take checks from borrowers as collateral for small loans; and
- 10                • at the end of the loan period, either cash the collateral check, or give the collateral  
11                check back to the borrower if the borrower provides Respondents with the amount of  
12                the collateral check in cash, or hold onto the collateral check or exchange the check for  
13                a new one if the borrower wishes to extend the small loan (discussed further in  
14                paragraph 1.8).

15 Also during that visit, Department personnel observed a sign near the cash register with the following text:

16                         "Send us a customer. We will give you \$15.00. Ask for Details. Delayed  
17                         check cashing only. Does not apply to pawn."

18           B.     On February 15, 2005, Subpoena to Produce Records C-05-031-05-SB01 (Subpoena)  
19 was issued by the Department and served on Respondents. Pursuant to this subpoena, Respondent C. Ehresman  
20 provided Department personnel with small loan files for over three hundred (300) borrowers, each with small loan  
21 activity during at least the period from July 2003 through February 15, 2005. Respondent C. Ehresman refused to  
22 provide the Department with the collateral checks in his possession, stating that providing such checks to the  
23 Department would effectively close his business.

24           C.     According to the small loan files discussed in paragraph 1.4B, it appears that at least one  
25 hundred sixty-four (164) consumers had outstanding small loans, with principal balances totaling at least seventy-  
two thousand dollars (\$72,000.00), due to Respondents as of February 15, 2005.

1.5     **Failing to Disclose Terms of Small Loans to Borrowers.** The Department has reason to  
believe that Respondents have failed to provide borrowers with statutorily required written agreements or  
written disclosures during the course of making small loans.

A.     During the February 15, 2005 visit by Department personnel discussed in paragraph  
1.4A, Respondent C. Ehresman stated that the only written document related to a small loan provided to borrowers

1 by Respondents is a slip of paper with blank spaces for the transaction date, receipt number, borrower's social  
2 security number, borrower's name, cash received, check number, check amount, borrower signature, and the  
3 following text:

4 "I ACKNOWLEDGE RECEIPT OF THE ABOVE AMOUNT FROM CASHING  
5 MY CHECK AND I REQUEST EXPRESS LOANS TO DEPOSIT MY CHECK ON  
6 MY PAYDAY, WHICH DATE IS \_\_\_\_\_. THERE IS A 15 DAY WAITING  
7 PERIOD AFTER THE DATE OF DEPOSIT OF YOUR CHECK BEFORE  
8 ANOTHER CHECK CAN BE CASHED UNLESS YOU PROVIDE PROOF  
9 SHOWING IT HAS CLEARED \*\* NO EXCEPTION\*\*

10 \*\*\*\*\* \$30.00 CHARGE ON ALL RETURNED CHECKS \*\*\*\*\*

11 B. Pursuant to a review of fifteen (15) of the borrower small loan files discussed in  
12 paragraph 1.4B, none of these fifteen (15) borrower small loan files contained copies of statutorily required  
13 written agreements or written disclosures related to the small loans.

14 1.6 **Making Small Loans in Excess of Statutory Maximum.** The Department has reason to  
15 believe that Respondents have provided borrowers with small loans with aggregated principal exceeding seven  
16 hundred dollars (\$700.00) at any one time.

17 A. According to the small loan files discussed in paragraph 1.4B, at least sixteen (16)  
18 borrowers had outstanding small loans with aggregated principal balances ranging from seven hundred fifty  
19 dollars (\$750.00) to two thousand dollars (\$2,000.00) due to Respondents as of February 15, 2005.

20 B. Pursuant to a review of fifteen (15) of the borrower small loan files discussed in  
21 paragraph 1.4B, it appears Respondents made at least ninety-seven (97) small loans, with aggregated principal  
22 balances ranging from seven hundred fifty dollars (\$750.00) to two thousand dollars (\$2,000.00) at any one time,  
23 to at least eleven (11) of those borrowers between July 2003 and February 15, 2005.

24 1.7 **Charging Interest or Fees on Small Loans in Excess of Statutory Maximum.** The  
25 Department has reason to believe that Respondents have charged interest or fees in the aggregate exceeding  
fifteen percent (15%) of the first five hundred dollars (\$500.00) of aggregated principal and ten percent (10%)  
of the next two hundred dollars (\$200.00) of aggregated principal of small loans outstanding at any one time.

1           A.       During the February 15, 2005 visit by Department personnel discussed in paragraph  
2 1.4A, Respondent C. Ehresman stated that Respondents charge fifteen dollars (\$15.00) of interest in each loan  
3 period for each one hundred dollars (\$100.00) loaned, and loan up to seven hundred dollars (\$700.00) per loan  
4 period, as noted in paragraph 1.4A.

5           B.       Pursuant to a review of fifteen (15) of the borrower small loan files discussed in  
6 paragraph 1.4B, it appears that between July 2003 and February 15, 2005, Respondents made at least one hundred  
7 twenty-six (126) small loans, with aggregated principal balances over five hundred dollars (\$500.00) at any one  
8 time, to at least eleven (11) of the borrowers. In each of these loans, Respondents charged borrowers interest of at  
9 least fifteen percent (15%) of the aggregated principal balances.

10           C.       Pursuant to a review of fifteen (15) of the borrower small loan files discussed in  
11 paragraph 1.4B, it appears that between July 2003 and February 15, 2005, Respondents made at least forty-seven  
12 (47) small loans, with interest exceeding fifteen percent (15%) of the aggregated principal balances, to at least six  
13 (6) of the borrowers.

14           1.8       **Small Loans Repaid with Proceeds of Successive Small Loans.** The Department has reason  
15 to believe that Respondents have allowed borrowers to repay small loans with the proceeds from successive  
16 small loans.

17           A.       During the February 15, 2005 visit by Department personnel discussed in paragraph  
18 1.4A, Respondent C. Ehresman stated that borrowers are allowed to extend their small loans for up to thirty (30)  
19 days by paying the interest portion of their small loan balance or by providing a new check in exchange for the  
20 check held as collateral by Respondents. Respondent C. Ehresman referred to this practice as "rolling" or  
21 "extending" the loan.

22           B.       Pursuant to a review of fifteen (15) of the borrower small loan files discussed in  
23 paragraph 1.4B, it appears that between July 2003 and February 15, 2005, at least thirteen (13) of the borrowers  
24 extended a small loan at least once, and at least eight (8) of the borrowers had extended their small loans  
25 throughout the entire period.

1 C. Of the eight (8) borrowers who extended their small loans throughout the entire period,  
2 as discussed in paragraph 1.8B:

- 3 • one borrower appears to have been extending small loans with aggregated principal  
4 balances ranging from \$600 to \$1,875.00 since at least August 1997, paying over  
5 \$19,500.00 in interest during that period and still owing Respondents \$2,160.75  
6 (including interest) as of February 15, 2005;
- 7 • one borrower appears to have been extending small loans with aggregated principal  
8 balances of \$800.00 since at least March 2000, paying almost \$7,000.00 in interest  
9 during that period and still owing Respondents \$920.00 (including interest) as of  
10 February 15, 2005;
- 11 • one borrower appears to have been extending small loans with aggregated principal  
12 balances of \$200.00 since at least May 2000, paying over \$1,700.00 in interest during  
13 that period and still owing Respondents \$230.00 (including interest) as of February 15,  
14 2005;
- 15 • one borrower appears to have been extending small loans with aggregated principal  
16 balances of \$400.00 since at least June 2000, paying almost \$3,400.00 in interest  
17 during that period and still owing Respondents \$460.00 (including interest) as of  
18 February 15, 2005;
- 19 • one borrower appears to have been extending small loans with aggregated principal  
20 balances ranging from \$800.00 to \$850.00 since at least June 2001, paying almost  
21 \$5,300.00 in interest during that period and still owing Respondents \$920.00  
22 (including interest) as of February 15, 2005;
- 23 • one borrower appears to have been extending small loans with aggregated principal  
24 balances ranging from \$500.00 to \$800.00 since at least August 2001, paying almost  
25 \$3,700.00 in interest during that period and still owing Respondents \$575.00  
(including interest) as of February 15, 2005;
- one borrower appears to have been extending small loans with aggregated principal  
balances ranging from \$400.00 to \$1,700.00 since at least December 2002, paying over  
\$3,000.00 in interest during that period and still owing Respondent Expressit  
\$1,955.00 (including interest) as of February 15, 2005;
- one borrower appears to have been extending small loans with aggregated principal  
balances ranging from \$500.00 to \$1,300.00 since at least September 2003, paying  
\$2,100.00 in interest during that period and still owing Respondents \$1,495.00  
(including interest) as of February 15, 2005.

20 1.9 **Substantial Injury to Public.** The Department has reason to believe that Respondents have  
21 caused substantial injury to the public. From at least July 2003 through the date of this order, Respondents  
22 have: engaged in the business of making small loans without a license, as discussed in paragraphs 1.3 and 1.4;  
23 failed to disclose terms of small loans to borrowers, as discussed in paragraph 1.5; made small loans in  
24 amounts in excess of the statutory maximum, as discussed in paragraph 1.6; charged interest on small loans in  
25 excess of the statutory maximum, as discussed in paragraph 1.7; and allowed borrowers to repay small loans

1 with the proceeds from successive small loans, as discussed in paragraph 1.8. There is reasonable cause to  
2 believe that the threat exists for Respondents to do or continue the acts and conduct described in paragraphs 1.3  
3 through 1.8.

## 4 II. GROUNDS FOR ENTRY OF ORDER

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

9 2.2 **Definition of Licensee.** Pursuant to RCW 31.45.010(12), a "Licensee" is defined as a check  
10 cashier or seller licensed by the director to engage in business in accordance with the Act. For the purpose of  
11 the enforcement powers of the Act, including the power to issue cease and desist orders under RCW 31.45.110,  
12 "licensee" also means a check cashier or seller who fails to obtain the license required by the Act.

13 2.3 **Definition of Small Loan.** Pursuant to RCW 31.45.010(19), a "Small Loan" is defined as a  
14 loan up to the maximum amount and for a period of time up to the maximum term specified in RCW 31.45.073.  
15 (See paragraph 2.7).

16 2.4 **Check Casher License Required.** Based on the above Factual Findings, Respondents are in  
17 violation of RCW 31.45.030(1) for engaging in the business of a check cashier without first obtaining a license  
18 from the Department.

19 2.5 **Small Loan Endorsement Required.** Based on the above Factual Findings, Respondents are  
20 in violation of RCW 31.45.070 and RCW 31.45.073 for engaging in the business of making small loans without  
21 first obtaining a small loan endorsement from the Director.

22 2.6 **Small Loan Disclosures Required.** Based on the above Factual Findings, Respondents are in  
23 violation of RCW 31.45.088(3), WAC 208-630-065 and WAC 208-630-068 for failing to provide disclosures  
24 to small loan borrowers including the terms of the small loan, the principal amount of the small loan, the total  
25

1 of payments of the small loan, the fee or interest rate charged by the licensee on the small loan, and the annual  
2 percentage rate resulting from this fee or interest rate.

3           **2.7 Statutory Maximum Principal Amount of Small Loan.** Based on the above Factual  
4 Findings, Respondents are in violation of RCW 31.45.073(2) for making loans with principal in excess of  
5 seven hundred dollars (\$700.00).

6           **2.8 Statutory Maximum Interest or Fees on Small Loan.** Based on the above Factual Findings,  
7 Respondents are in violation of RCW 31.45.073(3) for charging interest or fees in the aggregate exceeding  
8 fifteen percent (15%) of the first five hundred dollars (\$500.00) of principal and ten percent (10%) of the next  
9 two hundred dollars (\$200.00) of principal of the small loans.

10           **2.9 Small Loan Repaid with Proceeds of Another Small Loan.** Based on the above Factual  
11 Findings, Respondents are in violation of RCW 31.45.073(4) and WAC 208-630-085(2)(a) for redeeming  
12 checks held as collateral for small loans with subsequent checks, and for applying the proceeds of subsequent  
13 small loans to outstanding small loans.

14           **2.10 Authority to Examine and Investigate.** Pursuant to RCW 31.45.100, the Director or the  
15 Director's designee is authorized at any time to examine and investigate the business and examine the books,  
16 accounts, records, and files, or other information, wherever located, of any licensee or person who the Director  
17 has reason to believe is engaging in the business governed by this chapter.

18           **2.11 Authority to Issue Cease and Desist Order.** Pursuant to RCW 31.45.120, the Director is  
19 authorized to issue a temporary cease and desist order requiring the licensee to cease and desist from a  
20 violation or practice whenever the Director determines that the acts specified in RCW 31.45.110 or their  
21 continuation are likely to cause insolvency or substantial injury to the public. Based on the above Factual  
22 Findings, Respondents have violated RCW 31.45.030(1), RCW 31.45.070, RCW 31.45.073, and RCW  
23 31.45.088(3) and based upon reasonable cause the threat exists for Respondents to do or continue the acts and  
24 conduct described in the above Factual Findings. Continuation of the unauthorized conduct is reasonably  
25 likely because of the outstanding loans with consumers, Respondent C. Ehresman's refusal to produce the



1 31.45 RCW, the Check Cashers and Sellers Act, at any locations including but not limited to 800 Sleater-  
2 Kinney Rd SE, Lacey Washington 98503.

3 3.3 Respondents Expressit, Inc., Carl Ehresman, and Elaine Ehresman are to retain all records of  
4 any small loan or loan activity and make these records immediately available for the Department's inspection  
5 pursuant to Subpoena to Produce Records, C-05-031-05-SB01, issued by the Department and served on  
6 Respondents on February 15, 2005.

7 3.4 This order shall take effect immediately and shall remain in effect unless set aside, limited, or  
8 suspended by a court under RCW 31.45.130.

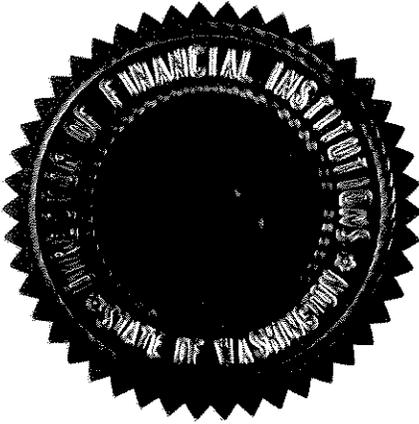
9 **NOTICE**

10 YOU ARE ENTITLED TO A HEARING PURSUANT TO CHAPTER 31.45 RCW TO DETERMINE  
11 WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU DESIRE A HEARING, THEN YOU  
12 MUST RETURN THE ATTACHED APPLICATION FOR ADJUDICATIVE HEARING INCORPORATED  
13 HEREIN BY THIS REFERENCE. FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR  
14 ADJUDICATIVE HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL  
15 INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE THAT THIS ORDER WAS SERVED ON  
16 YOU WILL CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF YOUR RIGHT TO A  
17 HEARING. SERVICE ON YOU IS DEFINED AS POSTING IN THE U.S. MAIL, POSTAGE PREPAID, TO  
18 YOUR LAST KNOWN ADDRESS. BE ADVISED THAT DEFAULT WILL RESULT IN THIS ORDER TO  
19 CEASE AND DESIST BECOMING PERMANENT ON THE TWENTY-FIRST (21ST) DAY FOLLOWING  
20 SERVICE OF THIS ORDER UPON YOU.

21 WITHIN TEN DAYS AFTER YOU HAVE BEEN SERVED WITH THIS TEMPORARY CEASE  
22 AND DESIST ORDER, YOU MAY APPLY TO THE SUPERIOR COURT IN THE COUNTY OF YOUR  
23 PRINCIPAL PLACE OF BUSINESS FOR AN INJUNCTION SETTING ASIDE, LIMITING, OR  
24

1 SUSPENDING THIS ORDER PENDING THE COMPLETION OF THE ADMINISTRATIVE  
2 PROCEEDINGS PURSUANT TO THIS NOTICE.

3 DATED this 24th day of February, 2005.



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CHUCK CROSS  
Director and Enforcement Chief  
Division of Consumer Services  
Department of Financial Institutions

1 **RCW 31.45.010 Definitions.**

2 Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

3 ...  
4 (5) "Check casher" means an individual, partnership, unincorporated association, or corporation that, for compensation, engages, in whole or in part, in the business of cashing checks, drafts, money orders, or other commercial paper serving the same purpose.

5 ...  
6 (12) "Licensee" means a check casher or seller licensed by the director to engage in business in accordance with this chapter. For purposes of the enforcement powers of this chapter, including the power to issue cease and desist orders under RCW 31.45.110, "licensee" also means a check casher or seller who fails to obtain the license required by this chapter.

7 ...  
8 (19) "Small loan" means a loan of up to the maximum amount and for a period of time up to the maximum term specified in RCW 31.45.073.

9 ...  
10 [2003 c 86 § 1; 1995 c 18 § 1; 1994 c 92 § 274; 1993 c 143 § 1; 1991 c 355 § 1.]

11 **RCW 31.45.030 License required -- Small loan endorsement -- Application -- Fee -- Bond -- Deposit in lieu of bond -**  
12 **- Director's duties.**

13 (1) Except as provided in RCW 31.45.020, no check casher or seller may engage in business without first obtaining a license from the director in accordance with this chapter. A license is required for each location where a licensee engages in the business of cashing or selling checks or drafts.

14 [2003 c 86 § 3; 2001 c 177 § 11; 1995 c 18 § 4; 1994 c 92 § 276; 1993 c 176 § 1; 1991 c 355 § 3.]

15 **RCW 31.45.070 Licensee -- Permissible transactions -- Restrictions.**

16 (1) No licensee may engage in a loan business or the negotiation of loans or the discounting of notes, bills of exchange, checks, or other evidences of debt on the same premises where a check cashing or selling business is conducted, unless the licensee:

- 17 (a) Is conducting the activities of pawnbroker as defined in RCW 19.60.010;
- 18 (b) Is a properly licensed consumer loan company under chapter 31.04 RCW;
- 19 (c) Is conducting other lending activity permitted in the state of Washington; or
- 20 (d) Has a small loan endorsement.

21 (2) Except as otherwise permitted in this chapter, no licensee may at any time cash or advance any moneys on a postdated check or draft. However, a licensee may cash a check payable on the first banking day following the date of cashing if:

- 22 (a) The check is drawn by the United States, the state of Washington, or any political subdivision of the state, or by any department or agency of the state or its subdivisions; or
- 23 (b) The check is a payroll check drawn by an employer to the order of its employee in payment for services performed by the employee.

24 (3) Except as otherwise permitted in this chapter, no licensee may agree to hold a check or draft for later deposit. A licensee shall deposit all checks and drafts cashed by the licensee as soon as practicable.

25 (4) No licensee may issue or cause to be issued any check, draft, or money order, or other commercial paper serving the same purpose, that is drawn upon the trust account of a licensee without concurrently receiving the full principal amount, in cash, or by check, draft, or money order from a third party believed to be valid.

(5) No licensee may advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, any statement or representation that is false, misleading, or deceptive, or that

1 omits material information, or that refers to the supervision of the licensee by the state of Washington or any department or  
2 official of the state.

3 (6) Each licensee shall comply with all applicable federal statutes governing currency transaction reporting.

4 [2003 c 86 § 7; 1995 c 18 § 7; 1994 c 92 § 280; 1991 c 355 § 7.]

5 **RCW 31.45.073 Making small loans -- Endorsement required -- Termination date -- Maximum amount -- Interest --  
6 Fees -- Postdated check or draft as security.**

7 (1) No licensee may engage in the business of making small loans without first obtaining a small loan endorsement to its  
8 license from the director in accordance with this chapter. An endorsement will be required for each location where a  
9 licensee engages in the business of making small loans, but a small loan endorsement may authorize a licensee to make  
10 small loans at a location different than the licensed locations where it cashes or sells checks. A licensee may have more than  
11 one endorsement.

12 (2) The termination date of a small loan may not exceed the origination date of that same small loan by more than forty-five  
13 days, including weekends and holidays, unless the term of the loan is extended by agreement of both the borrower and the  
14 licensee and no additional fee or interest is charged. The maximum principal amount of any small loan, or the outstanding  
15 principal balances of all small loans made by a licensee to a single borrower at any one time, may not exceed seven hundred  
16 dollars.

17 (3) A licensee that has obtained the required small loan endorsement may charge interest or fees for small loans not to  
18 exceed in the aggregate fifteen percent of the first five hundred dollars of principal. If the principal exceeds five hundred  
19 dollars, a licensee may charge interest or fees not to exceed in the aggregate ten percent of that portion of the principal in  
20 excess of five hundred dollars. If a licensee makes more than one loan to a single borrower, and the aggregated principal of  
21 all loans made to that borrower exceeds five hundred dollars at any one time, the licensee may charge interest or fees not to  
22 exceed in the aggregate ten percent on that portion of the aggregated principal of all loans at any one time that is in excess  
23 of five hundred dollars. The director may determine by rule which fees, if any, are not subject to the interest or fee  
24 limitations described in this section. It is a violation of this chapter for any licensee to knowingly loan to a single borrower  
25 at any one time, in a single loan or in the aggregate, more than the maximum principal amount described in this section.

(4) In connection with making a small loan, a licensee may advance moneys on the security of a postdated check. The  
licensee may not accept any other property, title to property, or other evidence of ownership of property as collateral for a  
small loan. The licensee may accept only one postdated check per loan as security for the loan. A licensee may permit a  
borrower to redeem a postdated check with a payment of cash or the equivalent of cash. The licensee may disburse the  
proceeds of a small loan in cash, in the form of a check, or in the form of the electronic equivalent of cash or a check.

(5) No person may at any time cash or advance any moneys on a postdated check or draft in excess of the amount of goods  
or services purchased without first obtaining a small loan endorsement to a check casher or check seller license.

[2003 c 86 § 8; 1995 c 18 § 2.]

**RCW 31.45.088 Small loans -- Disclosure requirements -- Advertising -- Making loan.**

...  
(3) When making a small loan, each licensee shall disclose to the borrower the terms of the small loan, including the  
principal amount of the small loan, the total of payments of the small loan, the fee or interest rate charged by the licensee on  
the small loan, and the annual percentage rate resulting from this fee or interest rate.

...  
[2003 c 86 § 14.]

**RCW 31.45.100 Examination or investigation -- Director's authority -- Costs.**

The director or the director's designee may at any time examine and investigate the business and examine the books,  
accounts, records, and files, or other information, wherever located, of any licensee or person who the director has reason to  
believe is engaging in the business governed by this chapter. For these purposes, the director or the director's designee may  
require the attendance of and examine under oath all persons whose testimony may be required about the business or the

1 subject matter of the investigation. The director or the director's designee may require the production of original books,  
2 accounts, records, files, or other information, or may make copies of such original books, accounts, records, files, or other  
3 information. The director or the director's designee may issue a subpoena or subpoena duces tecum requiring attendance  
and testimony, or the production of the books, accounts, records, files, or other information. The director shall collect from  
the licensee the actual cost of the examination or investigation.

4 [2003 c 86 § 16; 1994 c 92 § 283; 1991 c 355 § 10.]

5 **RCW 31.45.110 Violations or unsound financial practices -- Statement of charges -- Hearing -- Sanctions --**  
6 **Director's authority.**

7 (1) The director may issue and serve upon a licensee or applicant a statement of charges if, in the opinion of the director,  
8 any licensee or applicant:

9 (a) Is engaging or has engaged in an unsafe or unsound financial practice in conducting the business of a check seller  
10 governed by this chapter;

11 (b) Is violating or has violated this chapter, including rules, orders, or subpoenas, any rule adopted under chapter 86,  
12 Laws of 2003, any order issued under chapter 86, Laws of 2003, any subpoena issued under chapter 86, Laws of 2003, or  
13 any condition imposed in writing by the director or the director's designee in connection with the granting of any  
14 application or other request by the licensee or any written agreement made with the director;

15 (c) Is about to do the acts prohibited in (a) or (b) of this subsection when the opinion that the threat exists is based upon  
16 reasonable cause;

17 (d) Obtains a license by means of fraud, misrepresentation, concealment, or through mistake or inadvertence of the  
18 director;

19 (e) Provides false statements or omissions of material information on the application that, if known, would have allowed  
20 the director to deny the application for the original license;

21 (f) Fails to pay a fee required by the director or maintain the required bond;

22 (g) Commits a crime against the laws of the state of Washington or any other state or government involving moral  
23 turpitude, financial misconduct, or dishonest dealings;

24 (h) Knowingly commits or is a party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick,  
25 scheme, or device whereby any other person relying upon the word, representation, or conduct acts to his or her injury or  
damage;

(i) Converts any money or its equivalent to his or her own use or to the use of his or her principal or of any other person;

(j) Fails, upon demand by the director or the director's designee, to disclose any information within his or her knowledge  
to, or to produce any document, book, or record in his or her possession for inspection of, the director or the director's  
designee;

(k) Commits any act of fraudulent or dishonest dealing, and a certified copy of the final holding of any court, tribunal,  
agency, or administrative body of competent jurisdiction regarding that act is conclusive evidence in any hearing under this  
chapter; or

(l) Commits an act or engages in conduct that demonstrates incompetence or untrustworthiness, or is a source of injury  
and loss to the public.

(2) The statement of charges shall be issued under chapter 34.05 RCW. The director or the director's designee may impose  
the following sanctions against any licensee or applicant, or any director, officer, sole proprietor, partner, controlling  
person, or employee of a licensee or applicant:

(a) Deny, revoke, suspend, or condition the license;

(b) Order the licensee to cease and desist from practices in violation of this chapter or practices that constitute unsafe  
and unsound financial practices in the sale of checks;

(c) Impose a fine not to exceed one hundred dollars per day for each day's violation of this chapter;

(d) Order restitution to borrowers or other parties damaged by the licensee's violation of this chapter or take other  
affirmative action as necessary to comply with this chapter; and

(e) Remove from office or ban from participation in the affairs of any licensee any director, officer, sole proprietor,  
partner, controlling person, or employee of a licensee.

(3) The proceedings to impose the sanctions described in subsection (2) of this section, including any hearing or appeal of  
the statement of charges, are governed by chapter 34.05 RCW.



1 **WAC 208-630-065 The note.**

2 Each small loan made under a small loan endorsement pursuant to chapter 31.45 RCW shall be evidenced by a written note  
3 which shall state at least the following:

- 4 (1) The date of the loan;
- 5 (2) The principal amount of the loan which is defined as the face amount of the debt instrument on which interest is owed;
- 6 (3) The manner in which it is to be repaid;
- 7 (4) The maturity date of the debt; and
- 8 (5) The rate of interest and the method of calculating interest.

9 [Statutory Authority: RCW 43.320.040 and 31.45.200. 96-03-059, codified as § 208-630-065, filed 1/12/96, effective  
10 2/12/96.]

11 **WAC 208-630-068 Contents of disclosure statement to borrower.**

- 12 (1) The licensee shall deliver to the borrower at the time a small loan is made a statement which meets the requirements of  
13 all applicable laws, including the federal Truth in Lending Act.
- 14 (2) Sufficient information must be maintained in the licensee's files to show compliance with the consumer disclosure  
15 requirements of state and federal law.

16 [Statutory Authority: RCW 43.320.040 and 31.45.200. 96-03-059, codified as § 208-630-068, filed 1/12/96, effective  
17 2/12/96.]

18 **WAC 208-630-085 Licensee with small loan endorsement -- Powers -- Restrictions.**

- 19 ...
- 20 (2) A licensee with a small loan endorsement is subject to the following restrictions:

- 21 (a) No loan made under this act shall be repaid by proceeds of another loan made under chapter 31.45 RCW by the same  
22 lender or affiliate. The proceeds from any loan made under this act shall not be applied to any other loan from the same  
23 lender or affiliate;

24 ...

25 [Statutory Authority: RCW 43.320.040 and 31.45.200. 96-03-059, codified as § 208-630-085, filed 1/12/96, effective  
2/12/96.]

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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:

C-05-031-05-TD01

EXPRESSIT, INC., and  
CARL E. EHRESMAN, President, Vice-President  
and Chairman of the Board of Directors, and  
ELAINE L. EHRESMAN, Secretary and Treasurer,  
Respondents.

NOTICE OF OPPORTUNITY TO DEFEND  
AND OPPORTUNITY FOR HEARING

THE STATE OF WASHINGTON TO: Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

AND TO: Carl Ehresman  
Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

AND TO: Elaine Ehresman  
Expressit, Inc.  
800 Sleater-Kinney Rd SE  
Lacey, Washington 98503

YOU ARE HEREBY NOTIFIED that a Temporary Order to Cease and Desist (Temporary Order) has been filed by the Department of Financial Institutions, a true and correct copy of which is attached and made a part hereof.

YOU ARE HEREBY NOTIFIED that you may file an application for an adjudicative hearing before the Washington State Department of Financial Institutions on the Temporary Order. Service of this notice is deemed complete upon deposit in the United States mail. YOUR APPLICATION MUST BE RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS FROM THE DATE YOU RECEIVED THIS NOTICE. If you demand a hearing, you will be notified of the time and place for the hearing at least seven (7) days in advance of the hearing date.

1 At the hearing, you may appear personally, and by counsel, if you desire. The hearing will be as  
2 informal as is practical within the requirements of the Administrative Procedure Act (see chapter 34.05  
3 RCW). The hearing will be recorded. The primary concern will be getting to the truth of the matter  
4 insofar as the Temporary Order is concerned. Technical rules of evidence will not be binding at the  
5 hearing except for the rules of privilege recognized by law. You have the right to present evidence and  
6 witnesses in your own behalf, and to cross-examine those witnesses presented in support of the  
7 Temporary Order. You may require the attendance of witnesses by subpoena. If you are limited English-  
8 speaking or hearing impaired, you have the right to have an interpreter appointed at no cost to you, as  
9 discussed below.

10 INTERPRETER AVAILABILITY. If you or a witness for you is a person who, because of non-  
11 English-speaking cultural background, cannot readily speak or understand the English language, or if you  
12 or a witness for you is a person who, because of a hearing impairment or speech defect, cannot readily  
13 understand or communicate in spoken language, including persons who are deaf, deaf and blind, or hard  
14 of hearing, AND YOU NEED AN INTERPRETER. then a qualified interpreter will be appointed at no  
15 cost to you or to the witness. You may request the appointment of a qualified interpreter by indicating  
16 your request on the attached Application for Adjudicative Hearing form.

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1 YOU ARE FURTHER NOTIFIED that if the Department of Financial Institutions does not  
2 RECEIVE the Application for Adjudicative Hearing form within twenty (20) days from the date you  
3 received this notice, this will constitute a waiver of your right to a hearing and the Director will find that  
4 you do not contest the allegations of the Temporary Order. Upon such a finding by the Director a final  
5 order will be immediately entered disposing of this matter as described in the Temporary Order. If you  
6 desire a hearing in this matter, please return the attached Application for Adjudicative Hearing to:

7 Department of Financial Institutions, Division of Consumer Services  
8 Attn: Mark T. Olson  
9 PO Box 41200  
10 Olympia, Washington 98504-1200

11 Dated this 24th day of February, 2005.



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13 CHUCK CROSS  
14 Director and Enforcement Chief  
15 Division of Consumer Services  
16 Department of Financial Institutions