

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION



DIVISION OF BANKING  
1511 PONTIAC AVENUE, BUILDING 69-2  
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF:

EZ CASH II, LLC D/B/A EZ CASH II

EMERGENCY ORDER SUSPENDING LICENSE AND OF OPPORTUNITY FOR  
HEARING UNDER R. I. GEN. LAWS §§ 19-14-13 AND 42-35-14(c)

**EMERGENCY ORDER SUSPENDING CHECK CASHING LICENSE AND  
NOTICE OF OPPORTUNITY FOR A HEARING**

Pursuant to R. I. Gen. Laws §§ 19-14-1 *et seq.* and 42-35-14, the Director (“Director”) of the Rhode Island Department of Business Regulation (“Department”) issues this Emergency Order (“Order”) Suspending Check Cashing License Number 20072231CC (the “License”) of EZ CASH II, LLC d/b/a EZ CASH II (“Respondent”). This Order shall be effective upon issuance.

Upon a written request for a hearing within thirty (30) days of the date of this Order, a hearing officer will be appointed by the Director and the matter will be set down for hearing. The Director will promptly notify the Respondent of the time and place for any hearing. If no hearing is requested and none is ordered by the Director, this Order shall become permanent thirty (30) days after entry and shall remain in effect unless or until it is modified or vacated by the Director or his successor.

The Director makes the following findings of fact and conclusions of law with respect to entry of this Order:

1. R. I. Gen. Laws § 42-35-14(c) states that no revocation, suspension, annulment, or withdrawal of any license is lawful unless, prior to the institution of agency proceedings, the agency sent notice by mail to the licensee of facts or conduct which warrant the intended action, and the licensee was given an opportunity to show compliance with all lawful requirements for the retention of the license. If the agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of license may be ordered pending proceedings for revocation or other action. These proceedings shall be promptly instituted and determined.
2. R. I. Gen. Laws § 19-14-13 states in pertinent part that Director or the Director's designee may, upon ten (10) days' notice to the licensee, stating his or her intent to revoke and the grounds for revocation, and upon reasonable opportunity for the licensee to be heard, revoke any license issued under this chapter, upon finding that:
  - (a) The licensee has failed to comply with any demand, ruling, order, or requirement of the Director or the Director's designee lawfully made pursuant to and within the authority of this title;
  - (b) Any fact or condition exists which, if it had existed at the time of the original application for the license, would have warranted the Director or the Director's designee in refusing originally to issue the license;

(c) The licensee has committed any fraud, engaged in any dishonest activities, or made any misrepresentation;

(d) The licensee has demonstrated incompetence or untrustworthiness to act as a licensee pursuant to this chapter.

3. R. I. Gen. Laws § 19-14-23 states in pertinent part that for the purpose of discovering violations of Title 19 of the General Laws of Rhode Island or securing information lawfully required the Director or Director's designee(s) may at any time investigate the loans and business and examine the books, accounts, records and files used therein, of every licensee and person who shall be engaged in the business, whether the person shall act or claim to act as principal or agent, or under or without the authority of this title. For that purpose the Director or the Director's designees(s) shall have free access to the offices and places of business, books, accounts, paper, records, files and safes, of all such persons.

4. Respondent is the holder of a Rhode Island Check Cashing License issued pursuant to the terms and provisions of R. I. Gen. Laws § 19-14-1 *et seq.* and is located at 188 Taunton Avenue, Unit 1, East Providence, Rhode Island.

5. The two owners of Respondent are Johanny Urbaez and Charlene Labbe-Reisch. The principal officers of Respondent are its President Johanny Urbaez and Charlene Labbe-Reisch.

6. On or about May 22, 2009, the Department became aware of a possible fraud scheme involving business checking accounts maintained by Respondent at Domestic Bank ("Domestic") located in Cranston, Rhode Island, and money orders issued by MEMO Money Order Company, Inc. (MEMO"), a Rhode Island licensed check seller.

Domestic notified its federal regulator of the suspected activity. The Department also verified on May 22, 2009 that the three (3) offices of Respondent were closed.

7. Upon information and belief the dollar amount of the apparent fraud scheme approaches one million dollars (\$1,000,000). As of the issuance of this Order, MEMO had rejected approximately one hundred thousand dollars (\$100,000) of money orders issued by Respondent as an agent of MEMO that lacked the customary bank stamp, which appeared to part of the suspected fraudulent activity.

8. As of this date Respondent has not notified the Division of the closure its licensed locations.

9. Respondent's actions as delineated above demonstrate incompetence or untrustworthiness, and constitutes grounds for revocation of the License pursuant to R. I. Gen. Laws § 19-14-13.

10. Ordinarily, Respondent would receive notice and an opportunity for to cure this defect pursuant to R. I. Gen. Laws § 19-14-13; however, the totality of facts evidenced in the preliminary investigation support an emergency action to immediately suspend Respondent's License. Should Respondent or Respondent's registered attorney for service fail to respond to the certified mail or is not answering to service, this Order remains in effect even if the this defect is cured.

11. It is necessary to take emergency action in order to protect the consumers from the harm caused by Respondent's irresponsibility, untrustworthiness and complete disregard for statutory and regulatory mandates as detailed in the preliminary investigation and to prevent further harm to consumers who may be relying upon Respondent to effectuate future financial transactions. Therefore, the protection of the

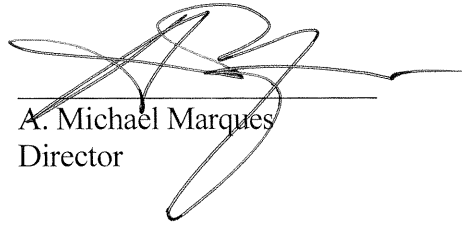
public welfare and the integrity of the financial marketplace imperatively require emergency action pursuant to R. I. Gen. Laws § 42-35-14(c). Respondent may also have access to personal financial information that may be used to harm consumers.

**WHEREFORE**, based on the foregoing, the Director finds that due to the seriousness of the violations alleged to be attributed to Respondent in this Order, the public safety and welfare imperatively requires the issuance of this Order.

Accordingly, it is hereby ORDERED that Respondent:

1. Immediately cease and desist from the business of cashing checks in this state. Respondent's License is hereby suspended pursuant to R.I. Gen. Laws §§19-14-23 and 42-35-14(c).
2. On or before four o'clock (4:00) PM on June 2, 2009 file with the Division written confirmation that Respondent has immediately stopped conducting any check cashing activities for a fee or other consideration that is subject to licensing under Title 19, Chapter 14, as amended, of the General Laws of Rhode Island.
3. On or before four o'clock (4:00) PM on June 2, 2009, file with the Division the basis upon which the closure of the licensed facilities occurred and the resulting harm to any individuals or entities.
4. Upon receipt of this Order, immediately surrender the original License and all branch certificates to the Division.
5. Upon receipt of this Order and pursuant to R.I. Gen. Laws § 19-14-23, Respondent is hereby ordered to provide the Division with immediate access to the offices and places of business, books, accounts, paper, records, files, and safes for the purpose of discovering violations of R.I. Gen. Laws § 19-14-1 *et seq.*

ENTERED AS ADMINISTRIVE ORDER NUMBER **09-138** OF THE DIRECTOR OF THE DEPARTMENT OF BUSINESS REGULATION AS OF THIS 28<sup>TH</sup> DAY OF MAY 2009.



A. Michael Marques  
Director

THE DIRECTOR RESERVES THE RIGHT TO PUBLISH A NOTICE OF THIS ORDER IN A NEWSPAPER OF GENERAL CIRCULATION IN THE STATE OF RHODE ISLAND AT RESPONDENT'S EXPENSE.

**CERTIFICATION**

I hereby certify that on this, \_\_, \_\_ day of May 2009 that a copy of the within Order was hand-delivered and mailed as delineated to:

Johanny Urbaez, President  
EZ CASH II, LLC d/b/a EZ CASH II  
188 Taunton Avenue, Unit 1  
East Providence, RI 02914

Mike Kiselica, Esq., Agent for Service  
Re: EZ CASH II, LLC d/b/a EZ CASH II  
One Turkshead Place, Suite 1440  
Providence, RI 02903

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**CERTIFICATION**

I hereby certify that on this 27<sup>th</sup> day of May 2009 that a copy of the within Order was delivered by certified mail as delineated

Johanny Urbaez, President  
EZ CASH II, LLC d/b/a EZ CASH II  
188 Taunton Avenue, Unit 1  
East Providence, RI 02914

Mike Kiselica, Esq., Agent for Service  
Re: EZ CASH II, LLC d/b/a EZ CASH II  
One Turkshead Place, Suite 1440  
Providence, RI 02903

  
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