

STATE OF NEW JERSEY



DEPARTMENT OF BANKING AND INSURANCE DIVISION OF BANKING

CONSENT ORDER NO. E19-019776

IN THE MATTER OF:

PARAS PALAK, INC.
REFERENCE NO. 9950739-C08

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CONSENT ORDER TO:
IMPOSE A PENALTY

MINESH PATEL
PARAS PALAK, INC.
333 SICKLERVILLE ROAD
SICKLERVILLE, NJ 08081

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This matter having been opened by the Office of Consumer Finance within the Division of Banking of the New Jersey Department of Banking and Insurance ("Department") upon information obtained from the Department's Examinations Bureau that Paras Palak, Inc. ("the Licensee"), at all times relative to this Consent Order, a licensed cashier of checks pursuant to The Check Cashers Regulatory Act of 1993, N.J.S.A. 17:15A-1 et. seq. (the "Act"), may have violated certain provisions of the Act and its implementing rules; and

WHEREAS IT APPEARS that Licensee may have violated the following:

1. N.J.S.A. 17:15A-44. Duties of check cashing licensee l. (1) & (2)

Pursuant to the last examination of the Licensee and reported to it in a corresponding Report of Examination ("ROE") dated November 27, 2018, found that the Licensee had failed to maintain the proper record keeping system as required. This was noted as a repeat violation from the previous examination.

2. N.J.S.A. 17:15A-44. Duties of check cashing licensee d.

The Licensee was unable to produce readable check images as required.

3. N.J.S.A. 17:15A-47. Prohibited transactions a.

The Licensee cashed several checks for an individual other than the payee without having a corresponding corporate resolution or other appropriate documentation for cashing such checks.

4. N.J.A.C. 3:24-5.1 Check cashing procedure (a) 2. & 3.

On several checks it was noted that Licensee did not identify the date as to when the instrument was cashed as required and did not disclose the teller identification number or teller name as required.

5. N.J.A.C. 3:24-5.2 Recordkeeping (a) 1. through 6.

The Licensee failed to maintain a tracking system to record all checks cashed as sorted by the fee, if any, collected.
fee restrictions as required.

6. N.J.A.C. 3:24-5.3 Return items record (a) 1. through 11.

The Licensee could not present the information required as he did not record the required information.

7. N.J.S.A. 17:15A-45. Annual reports

Based on a review of the way in which the Licensee derived its total income uncovered concerns as to the accuracy of the amounts being reported to the Department via its 2017 Annual Report.

AND WHEREAS, in the event that the Commissioner issued an administrative Order to Show Cause to the Licensee addressing the above-referenced apparent violations, the Licensee

would be entitled to request a hearing of the matter as a contested case in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.; and

WHEREAS the Licensee understands these rights and has voluntarily waived the right to a hearing on the matters addressed in this Consent Order; and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, the Licensee has agreed to resolve this issue by: **Providing a formal response to the ROE as directed therein and to take the necessary measures to ensure compliance with all the applicable statutes and regulations pursuant to the Act. The Licensee will also provide documentation supporting its check cashing business volume for calendar year 2017;** and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, the Licensee has agreed for purposes of settlement to pay civil administrative penalties in the amount of \$13,750 and formally acknowledges that a failure to provide the above referenced response and documentation pursuant to the ROE will result in the issuance of a formal Order to Show Cause that may subject it to further penalties and administrative action including the suspension or revocation of its license; and

WHEREAS the provisions of this Consent Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and regulations and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in bankruptcy proceedings; and

WHEREAS the parties to this Consent Order have determined that this matter is suitable for resolution upon the consent of the parties and that the Licensee and the Department desire to resolve this matter without a hearing or litigation, and for further good cause appearing:

NOW, THEREFORE, IT IS on this July day of 1st 2019,

ORDERED AND AGREED as follows:

1. **The Licensee has agreed to provide a formal response to the ROE as directed therein and to take the necessary measures to ensure compliance with all the applicable statues and regulations pursuant to the Act. The Licensee will also provide documentation supporting its check cashing business volume for calendar year 2017.**
2. **The Licensee shall pay civil administrative penalties in the amount of \$13,750 and formally acknowledges that a failure to provide the above referenced response and documentation pursuant to the ROE will result in the issuance of a formal Order to Show Cause that may subject it to further penalties and administrative action including the suspension or revocation of its license.**

Payment shall be made as follows. The first payment amount of \$3,750 of said penalties is due in full upon entry into this Consent Order by means of a certified check, bank check or money order made payable to the "Treasurer, State of New Jersey". The remaining balance of \$10,000 will be paid in five (5) installments of \$2,000 due by the first of the month starting July 1, 2019 with the final payment due by no later than November 1, 2019 and be sent to:

**Department of Banking and Insurance
Collections Bureau
P.O. Box 325
Trenton, NJ 08625
Attention: Rose McGill**

This Consent Order shall be duly signed by the Licensee and sent along with a copy of the initial penalty payment listed above as well as the formal response to the Report of Examination to:

**Department of Banking and Insurance
Office of Consumer Finance
P.O. Box 040
Trenton, NJ 08625
Attention: Troy Dayton**

3. The Licensee consents to the entry of this Consent Order as a final administrative order, and Licensee understands that this final administrative order may be docketed with the Clerk of the Superior Court as provided in the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.

Consented to with respect to
both form and content:

[LICENSEE]

By: MINESHA PATEL (owner)
Print Name: MINESHA PATEL
Title: owner
Date: 6/2/19.

It is so ordered:

MARLENE CARIDE, COMMISSIONER
NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE

By:

Thomas M. Hunt
Thomas M. Hunt, Assistant Director
Office of Consumer Finance