

Index: DFA 2014-216 SM

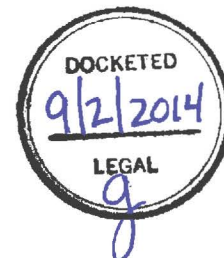
STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION

IN RE:

Administrative Proceeding Docket
Number: 0977-M-01/14

CIRCLE K STORES, INC.,

Respondent.



FINAL ORDER

This cause came on for consideration and final agency action. Upon review of the record, including the attached Settlement Stipulation (“Stipulation”) between the parties, and being otherwise fully advised of the premises, the Commissioner hereby finds:

1. The Commissioner, as head of the Office of Financial Regulation (“Office”), has jurisdiction over the subject matter of this case and the parties hereto.
2. The entry of this Final Order and compliance herewith by Circle K Stores, Inc. (“Circle K”) shall conclude the above-referenced administrative proceeding.

IT IS ACCORDINGLY ORDERED:

- A. The Stipulation entered into between the Office and Circle K, attached hereto, is adopted by the Office and incorporated by reference as if fully stated herein.
- B. Circle K shall pay a total administrative fine in the amount of One Million Dollars (\$1,000,000.00) within three days of the entry of this Final Order. Upon receipt of the full fine amount, the Office shall immediately issue to Circle K a Part III Money Services Business license.

DONE AND ORDERED this 2nd day of September, 2014, in Tallahassee, Leon County, Florida.


DREW J. BREAKSPEAR, Commissioner
Office of Financial Regulation

In re: Circle K Stores, Inc.
Administrative Proceeding No. 0977-M-01/14

NOTICE OF RIGHTS

A PARTY WHO IS ADVERSELY AFFECTED BY THIS AMENDED FINAL ORDER IS ENTITLED TO JUDICIAL REVIEW PURSUANT TO SECTION 120.68, FLORIDA STATUTES. REVIEW PROCEEDINGS ARE GOVERNED BY THE FLORIDA RULES OF APPELLATE PROCEDURE. SUCH PROCEEDINGS ARE COMMENCED BY FILING THE ORIGINAL NOTICE OF APPEAL WITH THE AGENCY CLERK FOR THE OFFICE OF FINANCIAL REGULATION AS FOLLOWS:

By Mail or Facsimile

OR

By Hand Delivery

Agency Clerk
Office of Financial Regulation
P.O. Box 8050
Tallahassee, Florida 32314-8050
Phone: (850) 410-9889
Fax: (850) 410-9663

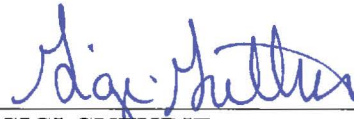
Agency Clerk
Office of Financial Regulation
General Counsel's Office
The Fletcher Building, Suite 118
101 East Gaines Street
Tallahassee, Florida 32399-0379
Phone: (850) 410-9889

A COPY OF THE NOTICE OF APPEAL, ACCOMPANIED BY THE FILING FEES AS REQUIRED BY LAW, MUST ALSO BE FILED WITH THE DISTRICT COURT OF APPEAL, FIRST DISTRICT, 2000 DRAYTON DRIVE, TALLAHASSEE, FLORIDA 32399-0950, OR WITH THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE PARTY RESIDES. **THE NOTICE OF APPEAL MUST BE FILED WITH BOTH THE AGENCY CLERK FOR THE OFFICE OF FINANCIAL REGULATION AND THE DISTRICT COURT OF APPEAL WITHIN 30 DAYS OF THE RENDITION OF THE ORDER TO BE REVIEWED.**

In re: Circle K Stores, Inc.
Administrative Proceeding No. 0977-M-01/14

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing Final Order was furnished by U.S. Mail to Charles L. Stutts, Esquire, at charles.stutts@hklaw.com, as legal representative for Circle K Stores, Inc., Holland & Knight, 100 N. Tampa Street, #4100, Tampa, Florida 33602, on this 2nd day of September, 2014.



GIGI GUTHRIE
Agency Clerk
Florida Office of Financial Regulation
Tallahassee, FL 32314-8050
Post Office Box 8050
Email: Agency.Clerk@flofr.com
Tel: (850) 410-9889
Fax: (850) 410-9663

In re: Circle K Stores, Inc.
Administrative Proceeding No. 0977-M-01/14

Received On:

AUG 28 2014

Consumer Finance
Legal

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION

IN RE:

CIRCLE K STORES, INC.,

Respondent.

Administrative Proceeding Docket
Number: 0977-M-01/14

SETTLEMENT STIPULATION

The State of Florida, Office of Financial Regulation (“Office”) and Circle K Stores, Inc. (“Circle K”), in consideration of the mutual promises herein, recite, stipulate, and agree as follows:

1. **Background.** An Administrative Complaint and Notice of Intent to Issue Cease & Desist Final Order (“Administrative Complaint”) was issued against Circle K on January 31, 2014, wherein it was alleged that around mid-June 2013 Circle K was cashing payment instruments without a license. The Administrative Complaint had attached a Notice of Rights which, pursuant to Ch. 120, Florida Statutes, afforded Circle K the opportunity to challenge some or all matters raised therein.

2. A response requesting a formal administrative hearing was timely received on February 10, 2014, with a request that the response/petition not be referred to the Division of Administrative Hearings, pending a mutually agreeable settlement of all outstanding issues.

3. On June 30, 2014, the Office issued an Amended Administrative Complaint and Notice of Intent to Issue Cease & Desist Final Order (“Amended Administrative Complaint”) alleging, among other things, that between January 1, 2009 and February 14, 2014, Circle K was cashing payment instruments without a license. A Notice of Rights was also attached to the Amended

Administrative Complaint and again Circle K timely requested a formal administrative hearing with the same request.

4. At all times material herein, Circle K was operating convenience stores in Florida.

5. The Office's records show that Circle K cashed checks between January 1, 2009, and February 14, 2014.

6. The Office's records also show that at no time between January 1, 2009 and February 14, 2014 was Circle K licensed to transact business as a money services business pursuant to Chapter 560, Florida Statutes.

7. Circle K is not currently licensed to transact business as a money services business pursuant to Chapter 560, Florida Statutes. However, Circle K has submitted, and the Office has deemed complete, an application for a Part III Money Services Business license. The Office has determined that the application meets the requirements for approval.

8. **Jurisdiction.** Pursuant to section 560.105, Florida Statutes, the Office is charged with administering and enforcing the provisions of Chapter 560, Florida Statutes, and therefore has jurisdiction to bring this administrative action against Circle K pursuant to Chapter 560, Florida Statutes.

9. **Findings.** For purposes of this Stipulation, Circle K neither admits nor denies that it violated any provisions of Chapter 560, Florida Statutes. Pursuant to Section 560.114(1)(a), Florida Statutes, a failure to comply with any of the provisions of Chapter 560, Florida Statutes, or related rule or order, constitutes grounds for disciplinary action.

10. **Terms and Conditions.** Circle K and the Office agree that the issues raised in the Amended Administrative Complaint can be expeditiously resolved without litigation or further expense to either party, by the execution of this Settlement Stipulation. The parties acknowledge

they have read this Settlement Stipulation and fully understand the rights, obligations, terms, duties and responsibilities with respect to its contents. Therefore, in compromise and settlement of the foregoing findings, Circle K and the Office agree to the following terms and conditions:

a) **ADMINISTRATIVE FINE.** An executed copy of this Settlement Stipulation shall be hand delivered by Circle K to: Agency Clerk, Office of Financial Regulation, The Fletcher Building, Suite 118, 101 East Gaines Street, Tallahassee, Florida 32314-8050. Upon execution of the Settlement Stipulation by both parties, a Final Order adopting the terms of such Settlement Stipulation shall be entered by the Office. Within three (3) days of the entry of the Final Order, Circle K shall pay an administrative fine in the amount of One Million Dollars (\$1,000,000.00) to the Office of Financial Regulation, in the form of a bank wire transfer to the **Department of Financial Services**. The Office shall provide Circle K with appropriate wire transfer instructions to allow Circle K to effect this payment in a timely manner.

b) Upon the timely receipt by the Office of the full payment of the administrative fine agreed to herein, the Office shall within one (1) business day issue to Circle K a Part III Money Services Business license.

11. **Final Order.** Circle K consents to the issuance of a Final Order which incorporates the terms of this Settlement Stipulation. Circle K understands and agrees that this Settlement Stipulation is subject to the final approval of the Commissioner of the Office of Financial Regulation and the entry of the Final Order adopting such Settlement Stipulation. In the event that the Final Order is not entered, this Settlement Stipulation shall be null and void. The Final Order incorporating this Settlement Stipulation constitutes final agency action by the Office for which the Office may seek enforcement pursuant to the provisions of Chapters 560 and 120, Florida Statutes.

12. **Waiver.** By Circle K's consent to the entry of a Final Order with respect to this matter,

Circle K waives:

- a) Any right to separately stated Findings of Fact and Conclusions of Law;
- b) Any right to receive a Notice of Rights pursuant to Chapter 120, Florida Statutes;
- c) Any right to an administrative hearing or issuance of a Recommended Order pursuant to Chapter 120, Florida Statutes;
- d) Any right to contest in any administrative forum or judicial proceeding (including, but not limited to, an appeal pursuant to section 120.68, Florida Statutes) the validity of any term, condition, obligation, or duty expressly created in this Stipulation and the Final Order.

13. **Releases**. Upon full execution of this Settlement Stipulation, entry of the Final Order, and issuance of the Part III Money Services Business license, Circle K waives, releases and forever discharges the Office and its agents, representatives and employees from any and all causes of action, in law or in equity, which Circle K may have arising out of this matter. The Office accepts this release and waiver by Circle K on behalf of itself, its agents, representatives, and employees without acknowledging, and expressly denying, that any such right or cause of action may exist. Upon full execution of the Settlement Stipulation, entry of the Final Order, and payment of the total administrative fine agreed to in Paragraph 10.b., the Office waives, releases and forever discharges Circle K and its directors, officers, employees, and agents from each and every cause of action which the Office may have arising out of the conduct of Circle K as alleged in the Administrative Complaint and the Amended Administrative Complaint.

14. **Failure to Comply**. Circle K acknowledges, concurs, and stipulates that Circle K's failure to comply with any of the terms, obligations and conditions of this Settlement Stipulation, and the Final Order adopting it, is a violation of the stipulation and the Final Order entered pursuant to

Chapters 120 and 560, Florida Statutes. Such non-compliance may result in the issuance of an emergency cease and desist order. However, nothing herein shall be construed to limit Circle K's rights to contest any finding or determination of non-compliance.

15. **Attorney's Fees.** Each party herein shall bear its own costs and attorneys' fees incurred in the prosecution, defense, or negotiations in this matter up to and including entry of the Final Order adopting this Settlement Stipulation.

16. **Counterparts.** This Settlement Stipulation may be executed in any number of counterparts, and by the parties in separate counterparts, each of which will be deemed to be an original but all of which together will constitute but one Settlement Stipulation.

WHEREFORE, in consideration of the foregoing, the Office and Circle K execute this Settlement Stipulation for issuance of a Final Order, as attached hereto, on the last date executed below.

[the remainder of this page intentionally blank with signature appearing on page 6]

BY RESPONDENT CIRCLE K STORES, INC.:

Brian J. Bednarz
Brian J. Bednarz, Vice President Gulf Coast Region

State of Florida

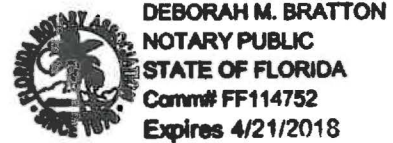
County of Escambia

BEFORE ME the undersigned authority, personally appeared Brian J. Bednarz as Vice President Gulf Coast Region of Circle K Stores, Inc., who, upon being duly sworn, states that he has read and understands the foregoing agreement and voluntarily signed the same.

SWORN AND SUBSCRIBED before me this 26th day of August, 2014.

Deborah M. Bratton
Notary Public

Personally known
OR produced identification
Type of identification produced:



* * *

BY OFFICE OF FINANCIAL REGULATION:

DATED and SIGNED this 2nd day of September, 2014,

Gregory C. Oaks
GREGORY C. OAKS, Director
Division of Consumer Finance