

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

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| IN THE MATTER OF: |) | |
| |) | |
| EZPAWN HOMETOWN |) | |
| License No. PWN 0000082; NMLS ID 1811094 |) | No. 2025-DB-01 |
| Attention: Denise Landin, General Counsel |) | |
| 4080 Southwest Highway |) | |
| Hometown, IL 60456 |) | |

**ORDER TO CEASE AND DESIST
AND ASSESSING FINE**

THE DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”), having conducted an investigation of **EZPAWN HOMETOWN** (“**EZPAWN HOMETOWN**”) 4080 Southwest Highway, Hometown, IL 60456 and having found violations of the Pawnbroker Regulation Act of 2023 (“Act”) [205 ILCS 511/1-1 et. seq.] hereby issues this **ORDER TO CEASE AND DESIST AND ASSESSING FINE**.

STATUTORY PROVISIONS

1. Section 5-25(a) of the Act makes it a violation of the Act to: (8) fail to comply with the provisions of this Act and with any lawful order, rule, or regulation made or issued under the provisions of this Act; Section 5-25 (b) of the Act provides that a licensee who fails to comply with this Section shall be subject to the penalties in Section 10-30 of the Act.
2. Section 10-5 of the Act provides the functions, powers, and duties of the Secretary shall include the following: (8) to issue orders against any person, including, but not limited to, any officer, director, employee, prospective employee, or agent of the licensee, if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur; if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Secretary; or for the purpose of administering the provisions of this Act and any rule adopted in accordance with this Act.
3. Section 10-30 of the Act, subsection (h), provides that when the Secretary finds any person in violation of the grounds set forth in subsection (i), the Secretary may impose a fine not to exceed \$25,000 for each count or separate offense.
4. Section 10-30(i) of the Act lists the grounds for which discipline may be taken. Subsection (i)(13) lists the failure to comply with or a violation of any provision of the Act as the basis for a fine.

5. Section 15-10 of the Act provides that it is unlawful for any pawnbroker to charge or collect a greater benefit or percentage upon money advanced than the amount specified in subsection (c), which provides that each pawnbroker may contract for and receive a monthly finance charge, including interest and fees not to exceed one-fifth (20%) of the pawn amount for pawns under \$500; one-sixth (16.6%) of the pawn amount for pawns at or above \$500 and less than \$1,500; one-eighth (12.5%) of the pawn amount for pawns at or above \$1,500 and less than \$5,000; and one-twentieth (5%) of the pawn amount for pawns at or above \$5,000.
6. Section 15-50(c) of the Act states if the pawner fails to repay or extend the pawn during the period specified on the pawn ticket, the pawnbroker shall automatically extend a grace period of 30 days after the default date on the pawn during which the pawnbroker shall not dispose of or sell the personal property pawned. Subsection (c) further states the parties may agree to extend or renew a pawn upon terms agreed upon by the parties, if the terms comply with the requirements of the Act, including the finance charges in Section 15-10 of the Act. Title to the pledged property transfers to the pawnbroker after the default date grace period expires or upon expiration of an agreed extension.

FACTUAL FINDINGS

6. EZPAWN HOMETOWN is a pawnbroker holding Illinois License No. PWN 0000082 ("License").
7. The Pawnbroker Regulation Act of 2023 ("Act") became effective on March 22, 2024, and repealed in its entirety the Pawnbroker Regulation Act ("Former Act") [205 ILCS 510].
8. On September 30, 2024, the Department received a complaint concerning the activities of EZPAWN HOMETOWN from customers A.J., M.S., and N.O. ("Complainants") and commenced an investigation of EZPAWN HOMETOWN'S extension and renewal policies which occurred after the effective date of the Act.
9. Prior to the March 22, 2024, effective date of the Act, each Complainant entered into a pawn contract with EZPAWN HOMETOWN (a "Pawn Contract"), which contract was subject to the maximum finance charge permitted under the Former Act.
10. Each Complainant made an initial extension after the Pawn Contract had expired, but before the expiration of the 30 day grace period required by the Act.
11. Further extensions of these Pawn Contracts after March 22, 2024, were made on terms identical to the original Pawn Contract, thus containing terms that did not comply with the requirements of the Act.
12. Each of the Complainants' subject pawns has been extended by EZPAWN HOMETOWN multiple times since the March 22, 2024, effective date of the Act, with each extension being made without any reduction in the finance charge received by EZPAWN

HOMETOWN, notwithstanding that the finance charge exceeds the amount permitted under the Act for pawns in excess of \$500.

13. EZPAWN HOMETOWN has provided data to the Department that indicates numerous other pawns held by EZPAWN HOMETOWN besides those entered into by Complainants have been extended while applying terms that do not comply with the requirements of the Act for pawns in excess of \$500. EZPAWN HOMETOWN has indicated to the Department's representatives that this was company policy across all 20 of EZ PAWN ILLINOIS, INC.'s stores located in Illinois.

LEGAL CONCLUSION

14. EZPAWN HOMETOWN is in violation of Sections 15-10 and 15-50(c) of the Act.

NOW IT IS HEREBY ORDERED,

1. EZPAWN HOMETOWN shall immediately CEASE AND DESIST from unsafe, unsound, and unlawful practices, including, but not limited to, offering extensions with terms that do not comply with the requirements of the Act pursuant to Section 10-5(8) of the Act.
2. The Department assesses a **FINE** against EZPAWN HOMETOWN in the amount of \$100,000 pursuant to Sections 10-5(12) and 10-30(h) (5) of the Act. The fine shall be paid within 30 days of the date of this Order through NMLS.

ORDERED THIS 10th DAY OF JUNE 2025.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING



SUSANA SORIANO
ACTING DIRECTOR

You are hereby notified that this Order is an administrative decision. Pursuant to Section 10-75 of the Pawnbroker Regulation Act of 2023 [205 ILCS 511/10-75] and the rules promulgated thereunder on Hearings Before the Division of Banking and Division of Financial Institutions [38 Ill. Adm. Code 100.5 *et seq.*], an affected party may file a petition for a hearing on an administrative decision by the Director. The petition for a hearing must be filed within 10 days after service of this Order by mail to the Department at 555 W. Monroe St., Suite 500, Chicago, IL 60661, Attn: Angela Alexandrakis with an electronic copy by email to Angela.Alexandrakis@illinois.gov and fpr.doblelegal@illinois.gov. The petition for hearing must be in writing and set forth the petitioner's license number, docket number of the administrative decision that resulted in discipline, and date of the administrative decision, pursuant to 38 Ill. Adm. Code 100.30(c). A Pawnbroker that requests a hearing shall pay a \$500 nonrefundable fee to the Department in accordance with 38 Ill. Adm. Code 1050.210(f) or through the Nationwide Multistate Licensing System. After receipt of a properly completed and timely petition for hearing, a case will be docketed and notice sent to the petitioner setting forth the date, time, and place of the hearing. Absent a petition for a hearing, this Order shall constitute a final administrative decision subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].