

# DEPARTMENT OF STATE

## OFFICE OF THE STATE BANK COMMISSIONER

Statutory Authority: 5 Delaware Code, Sections 121(b), 2318, and 2741;  
29 Delaware Code Section 10113(a)  
(5 **Del.C.** §§121(b), 2318, & 2741; 29 **Del.C.** §10113(a))  
5 **DE Admin. Code** 2301, 2303, 2701, and 2702

### FINAL

**2301 Report of Delaware Sale of Checks, Drafts and Money Orders Volume**

**2303 Report of Delaware Volume**

**2701 Licensed Cashier of Checks, Drafts, or Money Orders Operating Regulations**

**2702 Licensed Cashier of Checks, Drafts, or Money Orders Posting of the Fee Schedule and Minimum Requirements for Content of Books and Records**

### ORDER

IT IS HEREBY ORDERED, this 2nd day of May, 2013 that new Regulation 2303 and amended Regulations 2301, 2701 and 2702 are adopted as regulations of the State Bank Commissioner. A copy of these Regulations is attached hereto and incorporated herein by reference. The effective date of each Regulation is June 11, 2013. These Regulations are adopted by the State Bank Commissioner in accordance with Title 5 of the Delaware Code and pursuant to the requirements of Chapter 11 and 101 of Title 29 of the Delaware Code, as follows:

1. Notice of the proposed new and amended Regulations and their text was published in the April 1, 2013 issue of the *Delaware Register of Regulations*. The notice was also mailed to all persons who had made a timely written request to the Office of the State Bank Commissioner for advance notice of its regulation-making proceedings. The notice included, among other things, a summary of the proposed new and amended Regulations and invited interested persons to submit written comments to the Office of the State Bank Commissioner on or before May 1, 2013. The notice further stated that the proposed new and amended Regulations were available for inspection during regular business hours at the Office of the State Bank Commissioner, 555 E. Loockerman Street, Suite 210; Dover, Delaware 19901 and that copies were also available upon request.

2. No written comments concerning the proposed new and amended Regulations were received on or before May 1, 2013.

3. After review and consideration, the State Bank Commissioner hereby adopts new Regulation 2303 and amended Regulations 2301, 2701 and 2702 as proposed.

Robert A. Glen, State Bank Commissioner

~~**2301 Report of Delaware Sale of Checks, Drafts and Money Orders Volume**~~

~~5 **Del.C.** Ch. 23~~

~~Formerly Regulation No.: 5.2318.0001~~

~~Effective Date: November 12, 1999~~

~~This report shall be completed by all institutions licensed under Chapter 23, Title 5 of the **Delaware Code** and submitted to the Office of the State Bank Commissioner twice each year. The first report is due on or before July 31 and must contain figures from January 1 through June 30 of the current year. The second report is due on or before January 31 and must contain figures from January 1 through December 31 of the previous year.~~

~~In the event that you fail to provide this information in the period requested, you will be in violation of this regulation. Additionally, an examination will be scheduled, and staff allocated, without respect to the volume of your Delaware business. This may result in additional examination costs to you.~~

The Report is available at:

~~**2301.pdf Report of Delaware Sale of Checks, Drafts and Money Orders Volume**~~

~~**3 DE Reg. 653 (11/01/99)**~~

**2301 Operating Regulation**

**1.0 Compliance with Applicable Laws**

- 1.1 All licensees shall comply with 5 Del.C. Ch. 23, all regulations issued thereunder, and all other applicable State and federal statutes and regulations.
- 1.2 The manager and appropriate staff of each licensee shall familiarize themselves with all such statutes and regulations.
- 1.3 Each licensee shall maintain either by paper copy or through electronic access, 5 Del.C. Ch. 23 and the following regulations:
  - 1.3.1 Regulation 101, Retention of Financial Institution Records;
  - 1.3.2 Regulation 2301, Operating Regulation;
  - 1.3.3 Regulation 2302, Exemptions; and
  - 1.3.4 Regulation 2303, Report of Delaware Volume.

**2.0 Minimum Required Records**

- 2.1 Each licensee shall maintain any records necessary to verify the licensee's compliance with 5 Del.C. Ch. 23, all regulations issued thereunder, and all other applicable State and federal statutes and regulations.
- 2.2 All such records shall be made available to the Commissioner's staff when requested.
- 2.3 Records may be maintained at any suitable location but must be available within a reasonable period of time upon request.
- 2.4 All such records may be maintained by paper copy or in an electronic format.
- 2.5 All records shall be maintained in accordance with the time periods specified in Regulation 101, Retention of Financial Institution Records.
- 2.6 The Commissioner may grant written approval for variations from this section to accommodate specific record keeping systems. Requests for such approvals must be in writing and provide sufficient information concerning the system to ensure that the requirements of this section are satisfied and that the records will be readily available when requested.

**3.0 Expired Identification**

Licensees shall not accept from a customer any form of identification that has expired.

**4.0 Advertising**

A licensee shall not advertise in any way that is false, misleading, or deceptive.

**5.0 Examination Fees and Supervisory Assessments**

- 5.1 The Commissioner may examine licensees and their agents pursuant to 5 Del.C. §122. The costs of such examinations are assessed in accordance with 5 Del.C. §127(a). A licensee shall remit payment not later than 30 days after the date of the examination invoice.
- 5.2 The Commissioner shall assess each licensee a supervisory assessment that is due and payable on August 1 each year, in accordance with 5 Del.C. §127(b).
- 5.3 Failure to remit timely payment of any examination fee or supervisory assessment will result in a penalty of 0.05 percent of the amount unpaid for each day that such fee or assessment remains unpaid after the due date, in accordance with 5 Del.C. §§127(a) and 127(b).

**6.0 Examination Responses**

A licensee shall send the Commissioner a written response to every violation specified in a report of examination no later than 30 days after the date of the report.

**2303 Report of Delaware Volume**

Each licensee shall submit this report to the Office of the State Bank Commissioner twice each year. The first report

must be received no later than July 31 and must contain information from January 1 through June 30 of the current year. The second report must be received no later than January 31 and must contain information from January 1 through December 31 of the previous year.

Licensees with more than one licensed office, whose files are maintained at a consolidated, centralized location, may file a consolidated report. Otherwise, a separate report must be submitted for each licensed office.

A completed, signed report may be scanned and submitted by e-mail to [bco\\_reports@state.de.us](mailto:bco_reports@state.de.us).

Failure to submit this report when due will be a violation of this regulation. In addition, an examination may be scheduled and examination staff allocated without respect to the licensee's volume of Delaware business. This may result in additional examination costs.

1. Name of Licensee: \_\_\_\_\_
2. License No.: \_\_\_\_\_
3. List the address where the books and records are maintained: \_\_\_\_\_  
\_\_\_\_\_
4. Examination contact person's name, title, phone number, fax number and e-mail address: \_\_\_\_\_  
\_\_\_\_\_
5. List the **Delaware** business conducted in each of the following categories:

A. Travelers Checks/Cheques

Number sold: \_\_\_\_\_

Total dollar value: \_\_\_\_\_

B. Money Orders

Number sold: \_\_\_\_\_

Total dollar value: \_\_\_\_\_

C. Transmission of Funds in any form

Number of transmissions: \_\_\_\_\_

Total dollar value: \_\_\_\_\_

6. Reporting Period: \_\_\_\_\_ to \_\_\_\_\_

I, the undersigned officer, hereby certify that this report is true and correct to the best of my knowledge and belief.

_____	_____	_____
Date	Signature	Title
_____		
Printed Name	Phone Number	

**~~2701 Licensed Cashier of Checks, Drafts, or Money Orders Operating Regulations~~**  
**~~5 Del.C. §2741~~**

Formerly Regulation No.: 5.2741.0001

Effective Date: November 12, 1998

**~~4.0 Maintenance of Operating Regulations for Licensed Cashier of Checks, Drafts or Money Orders~~**

- 1.1 ~~All licensees shall conduct business in compliance with Chapter 27, Title 5, **Delaware Code**, and any regulations issued thereunder. Each office licensed under Chapter 27, Title 5, **Delaware Code**, shall possess copies of all applicable regulations. These regulations include:~~
  - 1.1.1 ~~Regulation 2701 (formerly 5.2741.0001) — Licensed Cashier of Checks, Drafts, or Money Orders Operating Regulations~~
  - 1.1.2 ~~Regulation 2702 (formerly 5.2743.0002) — Licensed Cashier of Checks, Drafts, or Money Orders Posting of the Fee Schedule and Minimum Requirements for Content of Books and Records~~
  - 1.1.3 ~~Regulation 101 (formerly 5.141.0001.NC) — Retention of Financial Institution Records~~
- 1.2 ~~The manager and staff of each office shall familiarize themselves with said regulations. Loss or misplacement of regulation shall be made known to the Office of the State Bank Commissioner and replacements will be~~

furnished. Failure to maintain the aforementioned regulations shall constitute a violation of both 5 ~~Del.C.~~ §2743 and this regulation.

## **2.0 Examination and Supervisory Assessment Fees**

- 2.1 ~~Cashing of Checks, Drafts, and Money Order licensees shall be subject to examination pursuant to §122 of Title 5 of the **Delaware Code**. The cost of such examinations shall be assessed to the licensee in accordance with §127(a) of Title 5 of the **Delaware Code**. A licensee shall remit payment not later than 30 days after the date of the invoice for the fees for examination. In addition, the Commissioner shall assess annually each licensee a supervisory assessment, due and payable on August 1 of each year, as provided in §127(b) of Title 5 of the **Delaware Code**. Failure of a licensee to remit timely payment of the examination fee or supervisory assessment will result in a penalty of 0.05 percent for each day that the examination fee or supervisory assessment shall remain unpaid after the due date, as provided in §127(a) and §127(b) of Title 5 of the **Delaware Code**.~~

~~2-DE Reg-781 (11/01/98)~~

### **2701 Operating Regulation**

**5 Del.C. §2741**

Effective Date: June 11, 2013

## **1.0 Compliance with Applicable Laws**

- 1.1 All licensees shall comply with 5 **Del.C.** Ch. 27, all regulations issued thereunder, and all other applicable State and federal statutes and regulations.
- 1.2 The manager and appropriate staff of each licensed office, including all mobile units, shall familiarize themselves with all such statutes and regulations.
- 1.3 Each licensed office, including all mobile units, shall maintain, either by paper copy or through electronic access, 5 **Del.C.** Ch. 27 and the following regulations:
- 1.3.1 Regulation 101, Retention of Financial Institution Records;
- 1.3.2 Regulation 2701, Operating Regulation; and
- 1.3.3 Regulation 2702, Minimum Records.

## **2.0 Display of License and Fee Schedule**

Each licensed office, including all mobile units, shall prominently display in clear view of all customers:

- 2.1 its license issued under 5 **Del.C.** Ch. 27, and
- 2.2 the fee schedule set forth in 5 **Del.C.** §2742.

## **3.0 Expired Identification**

Licensees shall not accept from a customer any form of identification that has expired.

## **4.0 Advertising**

- 4.1 A licensee shall not advertise in any way that is false, misleading or deceptive.
- 4.2 When a licensee advertises with respect to its services under 5 **Del.C.** Ch. 27, the advertisement shall clearly and conspicuously state that the licensee is licensed to engage in business in this State under that chapter and specify the license number and expiration date of its license.

## **5.0 Examination Fees and Supervisory Assessments**

- 5.1 The Commissioner may examine licensees pursuant to 5 **Del.C.** §122. The costs of such examinations are assessed in accordance with 5 **Del.C.** §127(a). A licensee shall remit payment not later than 30 days after the date of the examination invoice.
- 5.2 The Commissioner shall assess each licensee a supervisory assessment that is due and payable on August 1 each year, in accordance with 5 **Del.C.** §127(b).
- 5.3 Failure to remit timely payment of any examination fee or supervisory assessment will result in a penalty of 0.05 percent of the amount unpaid for each day that such fee or assessment remains unpaid after the due date, in accordance with 5 **Del.C.** §§127(a) and 127(b).

## **6.0 Examination Responses**

A licensee shall send the Commissioner a written response to every violation specified in a report of examination no later than 30 days after the date of the report.

**~~2702 Licensed Cashier of Checks, Drafts, or Money Orders Posting of the Fee Schedule and Minimum Requirements for Content of Books and Records~~**  
**~~5 Del.C. §2743~~**

Formerly Regulation No.: 5.2743.0002

Effective Date: November 12, 1998

~~1.0~~ The fee schedule set forth in §2742 of Title 5 of the ~~Delaware Code~~ shall be conspicuously displayed in a place easily visible to consumers at the licensed location, whether such location be a mobile unit or otherwise.

~~2.0~~ Each licensed office shall establish and maintain the following books and records, on a current basis, at the licensed office. Written approval may be granted for variations which accommodate individual accounting systems, including automated and electronic record processing systems, provided the objectives of this regulation are fulfilled. Requests for such approvals must be in writing and shall provide adequate information about the system as to ensure that the minimum record requirements are satisfied and provide the required data on a current and readily available basis to examiners, when requested:

- ~~2.1~~ Transactions Journal — All transactions involving the cashing of checks, drafts, or money orders shall be entered into this journal. All entries in this journal shall contain the following details:
  - ~~2.1.1~~ Date of transaction;
  - ~~2.1.2~~ Customer's name;
  - ~~2.1.3~~ Customer's address;
  - ~~2.1.4~~ Type of identification;
  - ~~2.1.5~~ Check, Draft, or Money Order and Item Number;
  - ~~2.1.6~~ Amount of item;
  - ~~2.1.7~~ Fee paid;
  - ~~2.1.8~~ Employee's initials.
- ~~2.2~~ Written approval may be granted for the recording of items 2.1.2, 2.1.3, and 2.1.4 in a card file which assigns an identification number to each customer. The identification number may then be recorded in the Transactions Journal in lieu of the customer's name, address, and form of identification.
- ~~2.3~~ Record of Deposits — A copy of each day's deposit made of the checks, drafts, and money orders cashed shall be maintained.
- ~~2.4~~ Summary of Business — A record of daily and monthly totals shall be maintained, to include:
  - ~~2.4.1~~ The number of checks, drafts, and money orders cashed;
  - ~~2.4.2~~ The aggregate fees received.
- ~~2.5~~ Any licensee operating two or more locations may maintain a consolidated or combined set of books and records, provided such books and records reflect separate figures for each location.

~~2 DE Reg. 781 (11/1/98)~~

**2702 Minimum Records**

**5 Del.C. §§2741 and 2743**

**Effective Date: June 11, 2013**

**1.0 Minimum Required Records**

Each licensed office, including all mobile units, shall maintain the following records on a current basis:

- 1.1 Transactions Journal. The office shall maintain a journal recording all transactions involving the cashing of checks, drafts, or money orders. The entries in this journal shall include:
  - 1.1.1 the date of the transaction;
  - 1.1.2 the customer's name;
  - 1.1.3 the customer's address;
  - 1.1.4 the type of identification the customer used, the issuer of that identification and its expiration date;
  - 1.1.5 the item number and amount of the check, draft or money order;
  - 1.1.6 the fee received for the transaction; and

1.1.7 an identification of the employee who conducted the transaction.

1.2 Daily Deposit Records. The office shall maintain a daily record containing a copy of each day's deposit of the checks, drafts, and money orders cashed.

1.3 Business Summary Record. The office shall maintain a record containing the daily and monthly totals of:

1.3.1 the number of checks, drafts, and money orders cashed; and

1.3.2 the aggregate fees received.

## **2.0 Location, Format and Retention of Records**

2.1 All records shall be made available to the Commissioner's staff when requested.

2.2 Records may be maintained at the licensed office or mobile unit itself or at any other suitable location if they can be available within a reasonable period of time upon request.

2.3 The licensee may maintain a separate record for repeat customers containing the information required by §§1.1.2, 1.1.3, and 1.1.4 of this regulation if the journal entry for each transaction clearly identifies the customer. Customer information maintained as a separate record must be updated annually, or sooner if the form of identification or record has expired since the last transaction.

2.4 Any licensee operating two or more office locations or mobile units may maintain consolidated or combined records, provided the records reflect separate figures for each location or unit.

2.5 All records may be maintained by paper copy or in an electronic format.

2.6 All records shall be retained in accordance with the time periods specified in Regulation 101 Retention of Financial Institution Records.

## **3.0 Variations**

The Commissioner may grant written approval for variations from this regulation to accommodate specific record keeping systems. Requests for such approvals must be in writing and provide sufficient information concerning this system to ensure that the requirements of this regulation are satisfied and that the records will be readily available when requested.