

OCCC CASE NO. L23-00114

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 16483	§	OFFICE OF CONSUMER
TEXCAP FINANCIAL LLC	§	
14875 LANDMARK BLVD. STE. 215	§	CREDIT COMMISSIONER
DALLAS, TEXAS 75254	§	
	§	STATE OF TEXAS

AGREED ORDER

The Office of Consumer Credit Commissioner (“OCCC”) issues this Agreed Order against TexCap Financial LLC (“TexCap Financial”), based on the violations of law described below.¹

Statement of Facts and Law

TexCap Financial is a regulated lender licensed by the OCCC under Chapter 342 of the Texas Finance Code. TexCap Financial operates under master file number 16483 at one licensed location, under license number 62446. TexCap Financial’s compliance officer is Jason Ybarra, and its designated contact address is 14875 Landmark Blvd. Ste. 215, Dallas, Texas 75254.

Under Chapter 342 and its implementing rules, a regulated lender must file annual reports with the OCCC.² A regulated lender must comply with all instructions from the OCCC relating to submitting the report.³ The report is due by May 1 of each year for the prior calendar year’s loan activity.⁴

TexCap Financial did not file its 2016 annual report by the deadline of May 1, 2017. On May 19, 2017, the OCCC issued an Injunctive Order to File Timely and Accurate Annual Reports against TexCap Financial for failing to timely file its 2016 annual report. The order became final and enforceable. The order required TexCap

¹ Tex. Fin. Code § 14.208.

² Tex. Fin. Code § 342.559; 7 Tex. Admin. Code § 83.835.

³ 7 Tex. Admin. Code § 83.835.

⁴ 7 Tex. Admin. Code § 83.835; https://occc.texas.gov/industry/regulated-lenders/annual_reports

Financial to file its 2016 annual report, and to timely file complete and accurate annual future reports. TexCap Financial ultimately filed its 2016 annual report.

TexCap Financial did not file its 2020 annual report by the deadline of May 1, 2021. On September 13, 2021, the OCCC issued an Order Imposing Administrative Penalty against TexCap Financial for failing to timely file its 2020 annual report. The order required TexCap Financial to pay a \$500 administrative penalty and file its 2020 annual report. TexCap Financial ultimately paid the \$500 administrative penalty and filed its 2020 annual report.

TexCap Financial did not file its 2021 annual report by the deadline of May 1, 2022. On September 7, 2022, the OCCC issued an Order Imposing Administrative Penalty against TexCap Financial for failing to timely file its 2021 annual report. The order required TexCap Financial to pay a \$1,000 administrative penalty and file its 2021 annual report. TexCap Financial ultimately paid the \$1,000 administrative penalty and filed its 2021 annual report.

TexCap Financial did not file its 2022 annual report with the OCCC by the deadline of May 1, 2023. On September 22, 2023, the OCCC issued an Order of Revocation against TexCap Financial due to its repeated failure to file timely annual reports.

By failing to timely file its 2016, 2020, 2021, and 2022 annual reports, TexCap Financial violated Chapter 342 of the Texas Finance Code and its implementing rules. By failing to timely file its 2020, 2021, and 2022 annual reports, TexCap Financial violated the OCCC's Injunctive Order to File Timely and Accurate Annual Reports issued on May 19, 2017. These violations were committed without exercise of due care.

Order & Agreement

By signing below, TexCap Financial acknowledges these violations, waives all rights to any hearing or appeal, agrees to pay the administrative penalty identified below, and otherwise agrees to comply with this Order and Texas law.

IT IS ORDERED that:

1. **No later than October 27, 2023**, TexCap Financial must pay an administrative penalty in the amount of \$2,000.00 to the OCCC (calculated as \$2,000.00 for TexCap Financial's one licensed location).

2. **No later than October 27, 2023**, TexCap Financial must file its 2022 annual report.
3. TexCap Financial must comply with, and cease and desist from violating, the reporting requirements set forth in Section 342.559 of the Texas Finance Code and Title 7, Section 83.835 of the Texas Administrative Code.
4. TexCap Financial must ensure that all future annual reports are complete, accurate, and filed in a timely manner.
5. The Order of Revocation issued by the OCCC against TexCap Financial on September 22, 2023, is withdrawn and replaced by this Agreed Order.

Violation of Order

If TexCap Financial violates this Order, this may result in one or more of the following actions by the OCCC: (1) an administrative penalty of up to \$1,000 for each day of violation, or (2) suspension or revocation of TexCap Financial's regulated lender license.⁵

Signed this 19th day of October, 2023.

/s/ Leslie Pettijohn
Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

AGREED:

/s/ Jason Ybarra
Jason Ybarra
President and Chief Executive Officer
TexCap Financial LLC
(signed electronically with permission)

⁵ Tex. Fin. Code §§ 14.208(c), 342.156.

CERTIFICATE OF SERVICE

I certify that on October 19, 2023, a true and correct copy of this Agreed Order has been sent to TexCap Financial LLC by the following:

TexCap Financial LLC	<input checked="" type="checkbox"/> email
Attn: Jason Ybarra, Compliance Officer	<input type="checkbox"/> eFileTexas.gov electronic service
14875 Landmark Blvd. Ste. 215	<input type="checkbox"/> regular mail
Dallas, TX 75254	<input type="checkbox"/> certified mail, return receipt requested
jason.ybarra@texcapfinancial.com	

/s/ Matthew Nance
Matthew J. Nance
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