

OCCC CASE NO. L21-00091

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 16330	§	OFFICE OF CONSUMER
TMX FINANCE OF TEXAS, INC.	§	
d/b/a TITLEMAX	§	CREDIT COMMISSIONER
15 BULL STREET, SUITE 200	§	
SAVANNAH, GEORGIA 31401	§	STATE OF TEXAS

**ORDER TO MAINTAIN MINIMUM NET ASSETS**

The Office of Consumer Credit Commissioner (“OCCC”) issues this Order to Maintain Minimum Net Assets against TMX Finance of Texas, Inc. d/b/a TitleMax (“TitleMax”).<sup>1</sup>

**Statement of Facts and Law**

TitleMax is a regulated lender licensed by the OCCC under Chapter 342 of the Texas Finance Code. TitleMax holds multiple licenses under master file number 16330. TitleMax’s compliance officer is Carrie Carbone, and its designated contact address is 15 Bull Street, Suite 200, Savannah, Georgia 31401.

A regulated lender must maintain net assets of at least \$25,000 for each licensed location.<sup>2</sup> Net assets are the total value of acceptable assets used or designated as readily available for use in the business, less liabilities (other than liabilities secured by unacceptable assets).<sup>3</sup> Unacceptable assets include, but are not limited to, goodwill, unpaid stock subscriptions, lines of credit, notes receivable from an owner, property subject to the claim of homestead or other property exemption, and encumbered real or personal property to the extent of the encumbrance.<sup>4</sup> Generally, assets are available for use if they are readily convertible to cash within 10 business days.<sup>5</sup> A regulated lender must list its net assets on the annual report that must be filed with the OCCC by May 1 of each year.<sup>6</sup>

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<sup>1</sup> Tex. Fin. Code § 14.208.

<sup>2</sup> Tex. Fin. Code § 342.153.

<sup>3</sup> 7 Tex. Admin. Code § 83.301(1).

<sup>4</sup> 7 Tex. Admin. Code § 83.301(1).

<sup>5</sup> 7 Tex. Admin. Code § 83.301(1).

<sup>6</sup> Tex. Fin. Code § 342.559; 7 Tex. Admin. Code § 83.835.

On July 16, 2020, the OCCC notified TitleMax that its 2019 annual report did not list net assets meeting the requirement of \$25,000 per license. The OCCC requested documentation regarding TitleMax's net assets. The OCCC has not received a response indicating that the TitleMax is maintaining minimum net assets.

The Consumer Credit Commissioner ("Commissioner") may issue an injunction ordering a regulated lender to maintain minimum net assets if the Commissioner has reasonable cause to believe that the regulated lender is violating Chapter 342 of the Texas Finance Code.<sup>7</sup>

The Commissioner has reasonable cause to believe that TitleMax is violating Chapter 342 of the Texas Finance Code, and therefore issues this Order, because TitleMax failed to maintain minimum net assets.

## Order

IT IS ORDERED that TMX Finance of Texas, Inc. d/b/a TitleMax:

1. comply with, and cease and desist from violating, the minimum net asset requirement set forth in Section 342.153 of the Texas Finance Code;
2. **no later than 30 days after the date of this Order**, send a spreadsheet by e-mail to Matthew Nance, [matthew.nance@occc.texas.gov](mailto:matthew.nance@occc.texas.gov), that shows net assets for each licensed location and demonstrates compliance with the minimum net asset requirement; and
3. in the future, maintain minimum net assets and file timely, complete, and accurate annual reports showing compliance with the minimum net asset requirement.

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<sup>7</sup> Tex. Fin. Code § 14.208.

## **Violation of Order**

If you violate this Order, the OCCC may impose an administrative penalty of up to \$1,000 per day.<sup>8</sup> Multiple violations may also result in the suspension or revocation of your license.<sup>9</sup>

## **Right to Request Hearing**

You have the right to request a hearing regarding this Order.<sup>10</sup> To request a hearing, you must send a written hearing request to the OCCC no later than 30 days after the date of this Order.<sup>11</sup> You must send your request to Matthew Nance, Deputy General Counsel, by mail to 2601 N. Lamar Blvd., Austin, Texas 78705, or by email to [matthew.nance@occc.texas.gov](mailto:matthew.nance@occc.texas.gov).

If you request a hearing, a hearing on this matter will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.<sup>12</sup> If you fail to request a hearing by the deadline, this Order will be considered final and enforceable.<sup>13</sup>

All communications with the OCCC concerning this matter must be through Matthew Nance, Deputy General Counsel, who may be contacted by mail at 2601 N. Lamar Blvd., Austin, Texas 78705, by telephone at 512-936-7660, or by email at [matthew.nance@occc.texas.gov](mailto:matthew.nance@occc.texas.gov).

Signed this 6th day of November, 2020.

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

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<sup>8</sup> Tex. Fin. Code § 14.208(c).

<sup>9</sup> Tex. Fin. Code § 342.156.

<sup>10</sup> Tex. Fin. Code § 14.208(b).

<sup>11</sup> Tex. Fin. Code § 14.208(b).

<sup>12</sup> Tex. Fin. Code § 14.208(b).

<sup>13</sup> Tex. Fin. Code § 14.208(c).

## CERTIFICATE OF SERVICE

I certify that on November 6, 2020, a true and correct copy of this Order to Maintain Minimum Net Assets has been sent to TMX Finance of Texas, Inc. d/b/a TitleMax by regular mail and certified mail, return receipt requested, at:

CMRRR # 9214 8901 9403 8300 0023 8993 83

TMX Finance of Texas, Inc.

Attn: Carrie Carbone, Compliance Officer

15 Bull Street, Suite 200

Savannah, GA 31401

CMRRR # 9214 8901 9403 8300 0023 8994 75

TMX Finance of Texas, Inc.

Attn: CT Corporation, Registered Agent

1999 Bryan St., Suite 900

Dallas, TX 75201

/s/ Matthew Nance

Matthew J. Nance

Deputy General Counsel

Office of Consumer Credit Commissioner

State Bar No. 24074794

2601 North Lamar Blvd.

Austin, Texas 78705

512-936-7660 (phone)

512-936-7610 (fax)

matthew.nance@occc.texas.gov