

# Community Financial Services Association of America (CFSA) Board Members Have Histories of Criminal Convictions and Scandals Highlighting the Danger of Their Lawsuit Against The Consumer Financial Protection Bureau

Summary: The Supreme Court is [set](#) to hear oral arguments this fall on a challenge to the constitutionality of Consumer Financial Protection Bureau's (CFPB's) funding structure brought by the Community Financial Services Association of America (CFSA), a trade group representing the payday industry. The Consumer Financial Protection Bureau, tasked with protecting consumers from predatory financial firms and lenders, was [created after the fallout](#) of the 2007-2008 financial crisis, and structured as an independent agency to insulate itself from partisan attacks.

As highlighted by Accountable.US' [Defend American Consumers](#) campaign, several of the CFSA's board member companies have histories of criminal behavior or involvement in corruption and ethics scandals, including racketeering convictions, Ponzi scheme payouts, and payments to disgraced politicians:

- **Amscot Financial**

- Amscot Financial is a [Tampa-based](#) payday lender founded by Ian MacKechnie in 1986. [According to his bio](#) and [IRS filings](#), MacKechnie serves on the board of the Community Financial Services Association of America and the Financial Service Centers of America, [now known as INFiN](#). MacKechnie's sons [Fraser](#) and [Ian Jr.](#) serve as the firm's president & chief operating officer and vice chairman, respectively.
- A review of the elder MacKechnie's time as the head of Amscot shows a shady history of business dealings, including defrauding insurance policyholders. In August 1998, [he pled guilty to racketeering](#) after a sting operation revealed business associates "[slid](#)" unwanted add-ons to consumers without their knowledge, resulting in a lifetime ban from being able to sell insurance policies.

- **QC Holdings or QCHI**

- QC Holdings or QCHI, a [Kansas-based payday lender](#), is represented on the board of the Community Financial Services Association of America (CFSA) by its president and CEO [Darrin J. Andersen](#), according to a [2021 990 IRS form](#).
- QC Holdings was implicated in an investigation into former New Mexico official Demesia Padilla who resigned from office after an investigation into "[tax evasion, embezzlement, and violations of the Governmental Conduct Act](#)." During the investigation, agents of the Office of the New Mexico Attorney General [found](#) nearly \$48,000 in payments made to Padilla by QC Holdings. However, records found no corroboration that the money was for "rent" as lawyers for QC Holdings insisted.

- **USA Cash Services**

- USA Cash Services, a [Utah-based payday lender](#) with APRs as high as 1,460%, is represented on the board of the Community Financial Services Association of America (CFSA) by its [owner](#) Kip Cashmore, according to a [2021 IRS form 990](#).
- In a June 2011 email then-Utah Attorney General candidate John Swallow urged Cashmore to raise \$100,000 from payday lenders and stated that if elected, he was "ready and willing to help lead out on that" in reference to pushing back against federal regulations against payday lending. Swallow ultimately funneled hundreds of thousands of dollars in contributions through a web of nonprofits, including \$100,000 from Cashmore's company and other lenders. Only a year into his position as AG, Swallow resigned from his position following investigations into his "widespread ethics violations."

- Prior to Cashmore bundling money to Swallow, he was tied to a Ponzi scheme that defrauded 500 people out of \$8 million. Two years after the head of the scheme was sent to prison in 1998, it was reported Cashmore—who was an Amway contractor at the time—made out with a whopping \$475,000.
- **CNG Holdings**
  - According to the Community Financial Services Association of America's [2021 IRS Form 990](#), CNG Holding's chief legal and compliance officer [Andrea Andre](#) serves as the trade group's Vice President.
  - In 2014, CNG chief government affairs officer [John Rabenold](#) was fined **\$2,000** after it was found [he didn't disclose lavish gifts to state lawmakers](#) while a registered Ohio lobbyist for the affiliated Axxess Financial. Allegedly Rabenold did not disclose he purchased tickets to the Cincinnati Bengals and planned upscale dinners for lawmakers. During this time, he lobbied against efforts by lawmakers to regulate the payday lending industry.

## Amscot Financial

**According To His Bio, Ian MacKechnie—The Founder And CEO Of Amscot Financial—Serves On The Boards Of The Community Financial Services Association And The Financial Service Centers Of America, Now Known As INFiN.**

**Ian MacKechnie Is The Founder And CEO Of Amscot Financial And Also Serves On The Boards Of The Community Financial Services Association (CFSA) And The Financial Service Centers Of America.**

**Ian MacKechnie Is The Founder And CEO Of Amscot Financial.** [Amscot Financial, accessed [08/09/23](#)]

**According To His Bio, He Serves On The Boards Of The Community Financial Services Association Of America (CFSA) And The Financial Service Centers Of America, Now Known As INFiN.** "In addition to leading Amscot, MacKechnie finds time to remain active in his professional sphere, serving on the boards of the Community Financial Services Association of America, Financial Service Centers of America, and Financial Service Centers of Florida." [Amscot Financial, accessed [08/09/23](#)]

- **INFiN, Formerly Known As The Financial Service Centers Of America (FiSCA), Is Comprised Of Members Of FiSCA And The Community Financial Services Association Of America In Order To "Buil[d] On The History And Proven Track Record Of Leadership And Partnership Provided By Two Of The Oldest National Trade Associations In The Regulated Consumer Financial Services Industry."** "The organization voted to change the association's name to the Financial Service Centers of America (FiSCA), effective January 1, 2000, to reflect the industry's growth and diversity. After 20 years serving as the industry's leading voice on legislative, regulatory, and business issues, INFiN, a Financial Services Alliance, was formed in 2020. Comprising members of Financial Service Centers of America (FiSCA) and the Community Financial Services Association of America (CFSA), INFiN builds on the history and proven track record of leadership and partnership provided by two of the oldest national trade associations in the regulated consumer financial services industry." [INFiN, accessed [08/02/23](#)]

**Ian MacKechnie Has A Shady History While Operating Amscot Financial, Pleading Guilty To Racketeering In August 1998 After An Undercover Sting Found His Auto Insurance Business Engaged In "Sliding" Unwanted Expenses And Coverage To Consumers, Resulting In A Life-Time Ban From Selling Insurance.**

**In August 1998, Ian MacKechnie Pled Guilty To Charges Of Racketeering For Engaging In "Sliding," Or Charging Insurance Policyholders Unknown Additional Charges, And Received A Lifetime Ban From Selling Insurance.**

**August 1998: Ian MacKechnie Pled Guilty To Charges Of Racketeering For Charging Auto Insurance Customers Unwanted Extra Coverage And Services And Was Ultimately Banned From Selling Insurance Policies For Life.** "Amscot Insurance pleaded guilty Friday to racketeering charges for duping auto insurance customers into buying unwanted extra coverage and services. Ian MacKechnie, a Scottish immigrant who founded the low-cost Tampa insurer and grew it to 18 locations in the state, will be banned for life from selling insurance. As part of a plea agreement, he also said he would sell Amscot and a sister company to an unrelated third party within six months." [The Tampa Bay Times, [08/15/98](#)]

**Four Other Amscot Agents And A Manager Pled Guilty For Engaging In The Practice, "Sliding," The Practice Of Insurers Sliding Papers Containing Unknown And Unwanted Charges.** "Four Amscot agents and a manager already have pleaded guilty and agreed to testify for the prosecution in the state's largest crackdown on 'sliding,' so named because unscrupulous insurers at one time 'slid' papers containing unwanted extras into stacks of paperwork signed by consumers." [The Tampa Bay Times, [08/15/98](#)]

**The Illegal Operation Was Brought To Light After Then-Florida Insurance Commissioner Bill Nelson Went Undercover And Was Sold Additional Towing And Car Rental Add-Ons After Asking For Just The Minimum Coverage Required By Law.**

**Then-Florida Insurance Commissioner Bill Nelson Performed An Undercover Sting, Where Nelson Was Sold "A Towing And Car Rental Add On" After Only Asking For Minimum Coverage.** "Florida Insurance Commissioner Bill Nelson hailed the settlement as dealing 'a heavy blow to anyone in the insurance industry who would contemplate ripping off auto insurance consumers.' As the state's insurance regulator, Nelson has targeted the practice of 'sliding' as one of his key anti-fraud efforts, with Amscot at the bull's-eye of his crusade. As part of the year-and-a-half investigation into Amscot, Nelson went undercover to buy car insurance from an agent in Tampa. The agent, among those still facing charges, allegedly sold Nelson a towing and car rental add-on after Nelson asked for the minimum coverage required by law." [The Tampa Bay Times, [08/15/98](#)]

## **QCHI Or QC Holdings**

**Darrin Andersen Is The President & CEO Of QC Holdings And Sits On The Board Of The Consumer Financial Services Association Of America.**

**Darrin Andersen Has Worked At QC Holdings Since February 1998, Serving As CEO Since August 2012 After Stints As COO And CFO.**

**Darrin Andersen Has Been The CEO Of QC Holdings Since August 2012 And Its President Since May 2004, Following Stints As The Company's COO And CFO.**



## Darrin J Andersen

President/CEO, QC Holdings Inc

### CURRENT POSITION

President/CEO, QC Holdings Inc

### TENURE AT CURRENT POSITION

8/2012-PRESENT

### PREVIOUS POSITION

President/COO, QC Holdings Inc

### EDUCATION

University of Kansas

### BOARD MEMBERSHIPS

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### INDUSTRY

Financial Services

### CURRENT PRICE

**QCCO:US** 0.58 USD ▲ AS OF 08:10 PM EDT 08/01/2023 [SEE QUOTE](#)

## Other Memberships

### TITLE

### COMPANY

**PRESIDENT**

Community Financial Services Association of America

## Career History

### TITLE

### COMPANY

### TENURE

**President/CEO**

QC Holdings Inc

08/2012-PRESENT

**President/COO**

QC Holdings Inc

05/2004-08/2012

**Chief Financial Officer**

QC Holdings Inc

12/1999-04/2004

[Bloomberg, accessed [06/21/23](#)]

## According To The Community Financial Services Association Of America's 2021 Form 990, Darrin Andersen Is A Member Of The Organization's 13 Member Board Of Directors.

According To The Organization's 2021 Form 990, Darrin Andersen Is A Member Of The Community Financial Services Association Of America's 13 Member Board Of Directors." [Community Financial Services Association Of America 2021 Form 990, accessed [07/26/23](#)]

**In December 2016, The Office Of The New Mexico Attorney General Opened An Investigation Into State Official Demesia Padilla Who Allegedly, Among Other Things, Engaged In Embezzlement And Tax Evasion, While Allegedly Depositing \$48,000 In Checks From QC Holdings Between 2012 And 2013 That The Firm Claimed Were For Rent Despite Investigators Finding No Evidence Padilla Owned Any Properties Rented By QC Holdings.**

## In December 2016, The New Mexico Secretary Of Taxation And Revenue Demesia Padilla Abruptly Resigned Over Allegations She Engaged In "Tax Evasion, Embezzlement, And Violations Of The Governmental Conduct Act."

December 2016: New Mexico Secretary Of Taxation And Revenue Demesia Padilla Resigned After The New Mexico Attorney General's Office Raided Her Office On Suspicion Padilla Engaged In "Tax Evasion, Embezzlement, And Violations Of The Governmental Conduct Act." "Demesia Padilla was the Taxation and Revenue Secretary in New Mexico until last Thursday, when she abruptly resigned after her offices were raided by the AG's office. Padilla still hasn't been officially charged, but the investigation — which,

according to the Santa Fe New Mexican, 'appears to touch on tax evasion, embezzlement, and violations of the Governmental Conduct Act' — is ongoing." [The Pitch KC, [12/20/16](#)]

### **As Part Of The Investigation, The New Mexico AG's Office Found Padilla Deposited Into Her Personal Bank Account \$48,000 In Checks From QC Holdings.**

**According To Records, Investigators Found "Padilla Deposited Into Her Personal Bank Account About \$48,000 In Checks From QC Holdings In 2012 And 2013."** "Among the details that have been made public is that investigators discovered Padilla deposited into her personal bank account about \$48,000 in checks from QC Holdings in 2012 and 2013." [The Pitch KC, [12/20/16](#)]

### **QC Holdings' Legal Counsel Told Reporters The Payments Were For "Rent," However Investigators Alleged They Found No Evidence Padilla Owned Any Of The Properties QC Operated, With Padilla's Attorney Advising She Not Answer Questions On Whether Or Not She Received Compensation From The Company.**

**QC Holdings' Legal Counsel Told Reporters The Payments Were For Rent On A Property Used By One Of The Firm's New Mexico Branches.** "Reached by the New Mexican, QC Holdings' legal counsel, Justin Kohlbeck, told the newspaper that the payments to Padilla were for rent. 'She was the landlord of one of our New Mexico branches,' Kohlbeck said." [The Pitch KC, [12/20/16](#)]

**However, Investigators Found No Evidence That Padilla Owned Any Of The Properties That QC Holdings Alleged They Paid Rent For.** "According to the New Mexican, though, in an affidavit made public last week, a special agent with the AG's office in New Mexico said he could find no evidence that Padilla owned any of the properties occupied by QC Holdings in New Mexico. As a result, it was the special agent's conclusion that the payments were not rental income." [The Pitch KC, [12/20/16](#)]

**When Asked Which Of QC Holdings 16 Branches In New Mexico Were Rented From Padilla, The Firm's Attorney Declined To Answer, Stating, "QC Holdings Does Not Wish To Provide Any Further Comments On This Matter At This Time."** "QC Holdings has 16 storefront operations in New Mexico. Asked by the New Mexican which QC branch rented from Padilla, QC's attorney declined to do so, telling the paper, 'QC Holdings does not wish to provide any further comments on this matter at this time.'" [The Pitch KC, [12/20/16](#)]

**In An Accompanying Affidavit, Padilla's Attorney Advised Her To Not Answer If She Received Compensation From QC Holdings, Terminating The Interview:**

Later, during the interview, Affiant inquired if Demesia Padilla had ever received compensation from QC Holdings, Incorporated. Her attorney did not allow her to answer the question and terminated the interview.

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[Document Cloud, accessed [08/09/23](#)]

## **USA Cash Services**

**Kip Cashmore, The Owner Of USA Cash Services, Is On The Board Of The Community Financial Services Association Of America (CFSA).**

## **Kip Cashmore Is The Owner Of Payday Lender USA Cash Services And A Community Financial Services Association Of America (CFSA) Board Member.**

**Kip Cashmore Has Been Identified As The Owner Of USA Cash Services As Recently As August 2020.** "Among the payday lenders who donated the maximum to Trump are Kip Cashmore, owner of USA Cash Services; Tracy Rawle, CEO of Check City, and his wife, Jan; and Todd Rawle, a director of Tosh Inc., the parent company of Check City." [Salt Lake Tribune, [08/20/20](#)]

**Cashmore Is On The Board Of The Community Financial Services Association Of America (CFSA) According To The Organization's 2021 IRS Form 990.** [CFSA IRS Form 990 via ProPublica, [11/15/22](#)]

**Kip Cashmore Was Tied To A Scheme To Peddle Cash To John Swallow, A Candidate For Utah Attorney General Who Said He Would Support The Payday Lending Industry Against Federal Regulations If Elected—Swallow Resigned As AG Just a Year Into His Term Amid Several Investigations Into His "Widespread Ethics Violations."**

## **In June 2011, Then-Utah AG Candidate John Swallow Sent An Email To Kip Cashmore Asking To Raise \$100,000 From Payday Lenders And That, If Elected, He Would "Go To Bat" For The Payday Industry.**

**In June 2011, Utah AG Candidate John Swallow Wrote an Email to Cashmore Saying He Wanted to Raise \$100,000 From The Payday Loan Industry And Directed Cashmore Where to Contribute the Money.** "In the email to Cashmore, Swallow said he wanted to raise \$100,000 from the payday loan industry in 2011. He asked that payday money go to then-Attorney General Mark Shurtleff's political action committee Utah's Prosperity Foundation and that non-payday money go to his PAC. Swallow ends the message, 'Please do not forward this email.'" [KSL, [12/20/13](#)]

**In His Email To Cashmore, Swallow Said He Was "'Ready And Willing To Help Lead Out On That'" In Reference To Pushing Back Against Federal Regulations Against Payday Lending.** "John Swallow did not want voters to see him as the payday loan candidate, so his campaign devised a strategy to hide hundreds of thousands of dollars in contributions he received from the industry. At the same time, Swallow told payday lenders he would go to bat for them with federal consumer protection regulators if elected attorney general. 'I am ready and willing to help lead out on that,' he wrote in a June 29, 2011, email to Kip Cashmore, a payday loan industry leader in Utah." [KSL, [12/20/13](#)]

## **Swallow Funneled Hundreds Of Thousands Of Dollars In Campaign Contributions From The Payday Industry Through A Web Of Non-Profit Groups, Including \$100,000 From Cashmore's Company And Others.**

**John Swallow Set Up "A Web Of Vaguely Named Nonprofit Organizations" To "Mask Hundreds Of Thousands Of Dollars" In Payday Lender Money.** "Mr. Swallow and his campaign, they say, exploited a web of vaguely named nonprofit organizations in several states to mask hundreds of thousands of dollars in campaign contributions from payday lenders. His campaign strategist, Jason Powers, both established the groups — known as 501(c)(4)s after the section of the federal tax code that governs them — and raked in consulting fees as the cash moved between them. And affidavits filed by the Utah State Bureau of Investigation suggest that Mr. Powers may have falsified tax documents submitted to the Internal Revenue Service. 'What the Swallow case raises is the possibility that political money is never really traceable,' said David Donnelly, executive director of the Public Campaign Action Fund which advocates stricter campaign finance laws." [New York Times, [03/18/14](#)]

**The Entities Collected Hundreds Of Thousands Of Dollars From The Payday Industry Between December 2011 and August 2012, Including \$100,000 From Cashmore's Company And Others.** "Between December 2011 and August 2012, Utah's Prosperity Foundation contributed \$262,000 to Mr. Swallow's campaign, more than one of every six dollars he raised. About \$30,000 in contributions to the foundation during the campaign came from four out-of-state payday companies. But the biggest payday contributions went into the new nonprofit. The Proper Role of Government Education Association collected \$452,000 during the campaign, most of it from the payday industry. Mr. Rawle himself allegedly provided \$100,000 in secret money to Mr. Swallow's effort. Mr. Cashmore's company and others provided about \$100,000." [New York Times, [03/18/14](#)]

### **Swallow Resigned From His Position As Utah Attorney General A Year Into The Position Amid Several Investigations Into His "Widespread Ethics Violations."**

**In November 2012, John Swallow Was Elected Utah Attorney General.** [New York Times, accessed [08/17/23](#)]

**In November 2013, Swallow Resigned From His Position Amid Several Investigations Into His "Widespread Ethics Violations."** "Utah's embattled attorney general, John Swallow, resigned Thursday amid persistent questions about whether he had committed widespread ethics violations, saying the legal fight had become too costly. [...] Pressure had been mounting for months on Mr. Swallow to resign. Among other investigations, a special state legislative committee and the lieutenant governor's office have been looking into whether he had given preferential treatment to donors and failed to disclose business conflicts of interest." [New York Times, [11/21/13](#)]

**In The Late 1990s, Kip Cashmore Made A \$475,000 Profit From A Ponzi, Real Estate Scheme That Defrauded 500 People Out Of \$8 Million.**

### **Kip Cashmore Made A \$475,000 Profit From A Ponzi, Real Estate Scheme That Defrauded 500 People Out Of \$8 Million.**

**In March 2000, Kip Cashmore, An "Amway Contractor" At The Time, Was Reported As Having Made A Whopping \$475,000 In Profit From A Ponzi Scheme Involving His Former Business Partners.** "A bankruptcy probe has reclaimed enough of Wayne Ogden's assets to return \$1 million to the victims of his real estate scam. Bankruptcy trustee Steve Bailey promises there will be even more when he recovers millions from Ogden's former business partners and others who profited from the scheme. That includes \$1.7 million from Josh Christensen, \$458,000 from Dar Nelson, and \$475,000 from Amway contractor Kip Cashmore. [Associated Press via LexisNexis, [03/19/00](#)]

**The Head Of The Ponzi Scheme, Wayne Ogden, Went To Prison For Defrauding 500 People Out Of \$8 Million Between 1995 And 1997.** "Ogden was sent to prison in July of 1998 for an investment proposal investigators said was a Ponzi scheme. He was granted a July 2001 parole date when he promised to pay all his victims back. Investigators estimated as many as 500 people were scammed out of \$8 million between 1995 and 1997. Some of the jilted investors forced Ogden into bankruptcy in 1997, and since then 425 victims have filed claims worth \$6.5 million with the bankruptcy court in Salt Lake City." [Associated Press via LexisNexis, [03/19/00](#)]

**CNG/Axcess**

**CNG Holdings Chief Legal And Compliance Officer Andrea Andre Is Vice President Of The Community Financial Services Association of America.**

**CNG Holdings Chief Legal And Compliance Officer Andrea Andre Is Vice President Of The Community Financial Services Association Of America As Of Its 2021 Form 990.**

Andrea Andre Was Identified As Vice President Of The Community Financial Services Association Of America On The Organization's 2021 Form 990. [ProPublica, accessed [07/26/23](#)]

Andrea Andre Is Chief Legal And Compliance Officer At CNG Holdings Inc.



**Andrea Andre** · 3rd

Chief Legal and Compliance Officer at CNG Holdings, Inc.

[LinkedIn, accessed [07/26/23](#)]

**In 2014, CNG Holdings Chief Government Affairs Officer John Rabenold Was Fined \$2,000 For Not Disclosing Lavish Gifts To Lawmakers While Registered As A Lobbyist For Axxess Financial.**

**In May 2014, Rabenold Was Fined \$2,000 While A Lobbyist For Axxess Financial For Failing To Report Gifts To Lawmakers Including NFL Tickets And Lavish Dinners.**

**May 2014: Rabenold Was Fined \$2,000 "For Failing To Report Gifts To Lawmakers Of Bengals Tickets And Upscale Dinners," While Registered As A Lobbyist For Axxess Financial.** "A Cincinnati-area lobbyist must pay \$2,000 in fines for failing to report gifts to lawmakers of Bengals tickets and upscale dinners, a Franklin County judge said Thursday. John Rabenold of Axxess Financial in Sycamore Township avoided spending one night in jail because Friday is his 15-year wedding anniversary, Common Pleas Judge Patrick Sheeran said after handing down the sentence." [The Cincinnati Enquirer, [05/01/14](#)]

- **Axxess Financial Is Now Known As CNG Holdings.** "Axxess Financial is now CNG Holdings Inc. CNG Holdings Inc. announced last year our focus on restoring growth to the CNG enterprise. CNG Holdings Inc. provides support to the Axxess Financial and Smartpay brands." [LinkedIn, accessed [08/24/23](#)]

**At The Time, He Lobbied In His Capacity At Axxess Financial Against Ohio Efforts To Regulate Payday Lenders.** "At the time, Rabenold, who once ran for the Ohio House as a Republican, was lobbying against

legislation that sought to regulate payday lenders, which charge interest as high as 400 percent per year. Payday lender Check 'n Go is a subsidiary of Axxcess Financial." [The Cincinnati Enquirer, [05/01/14](#)]