

and all business operations as a credit union including the operation of the websites:

<http://www.michigan.credit.union.auto.loans.fastquickquickloans.com>
<http://www.credit.union.loans.cashloanloanscash.com>

4. Subsequent to the issuance of the Order, DIFS Staff asserted Respondent was either directly or indirectly referenced in or upon additional websites that advertised and offered credit union loans to Michigan residents. Specifically, DIFS Staff asserted that multiple websites represented to the public that they were a state chartered or foreign credit union. The websites referenced herein, included the following:

<http://elga.credit.union.car.loans.fastquickquickloans.com>
<http://navy.federal.credit.union.personal.loans.personalloanspersonalloan.us>
<http://michigan.credit.union.personal.loans.personalloanspersonalloan.us>
<http://century.federal.credit.union.cashadvancecashs.com>
<http://best.credit.union.auto.loans.apaydayloanspayday.com>
<http://teachers.credit.union.home.loans.fastquickquickloans.com>
<http://police.credit.union.personal.loans.fastquickquickloans.com>
<http://loan.source.credit.union.fastquickquickloans.com>
<http://federal.credit.union.personal.loan.fastquickquickloans.com>
<http://credit.union.rv.loan.rates.fastquickquickloans.com>
<http://credit.union.loan.review.fastquickquickloans.com>
<http://credit.union.loan.computer.program.cashloanscashs.com>
<http://credit.union.loan.bad.credit.cashloanscashs.com>
<http://credit.union.home.loan.rates.loandirectsloans.com>
<http://coast.hills.credit.union.loan.fastquickquickloans.com>
<http://credit.union.loan.application.fastquickquickloans.com>
<http://credit.union.loansdirectloanss.com>
<http://credit.union.fastquickquickloans.com>
<http://credit.union.cashloanscashs.com>
<http://credit.union.personalloanspersonalloan.us>

5. The above-mentioned websites represented themselves as offering unlicensed payday loans and unauthorized credit union loans to Michigan residents.
6. The website <http://elga.credit.union.car.loans.fastquickquickloans.com> asserted that it was affiliated with ELGA Credit Union, which is a domestic credit union. The credit union has confirmed that it is not affiliated with D and D Marketing or the abovementioned website.
7. On April 30, 2012, the Senior Deputy Director of DIFS issued a Temporary Order to Cease and Desist (Order) against D and D Marketing, which ordered D and D Marketing to cease and desist from operating the foregoing websites.

8. D and D Marketing Corporation is not a domestic credit union organized or authorized to commence business in the state of Michigan pursuant to Section 301 of the MCUA, MCL 490.301.
9. The use of the words “credit union” in the promotion of business operations and/or the websites, is a violation of Section 104 of the MCUA, MCL 490.104.
10. DIFS contended that D and D Marketing Corporation’s business operations as stated above constitute multiple violations of the MCUA.
11. On March 29, 2012 and April 30, 2012, DIFS issued and served upon D and D Marketing Corporation a Notices of Charges and Notice of Hearing (“Notice of Charges”), pursuant to Section 210 of the MCUA, MCL 490.210, via Certified Mail, advising that its business operations were believed to be in violation of the MCUA, MCL 490.101 *et seq.*
13. On December 6, 2012, D and D Marketing submitted a Request for Exceptions (the “Request”), setting forth, *inter alia*, that it had not conducted business operations in violation of the Michigan Credit Union Act of 2003, MCL 490.1 *et seq.* and that it had not: (a) conducted business operations as a credit union; (b) held itself out to be a credit union; or (c) owned/ operated websites that advertised or offered “credit union” loans, or represented to the public that it is was a state chartered or foreign credit union.
14. D and D Marketing asserts that the subject websites and promotions had been operated by former and/or unaffiliated third party marketing partners, or “publishers.” D and D Marketing asserts that it was not, directly or indirectly responsible for, the unauthorized use of the term “credit union,” that it did not own or operate the subject websites, and that terms such as “Michigan credit union” were used by third party marketers without D and D Marketing’s knowledge or consent.
15. In an effort to resolve the issues presented, D and D Marketing agrees to continue to undertake strict marketing and advertising compliance practices to continue to undertake all necessary precautions to ensure the legitimacy of advertising by third party publishers on its network, and to continue to undertake all necessary precautions to ensure that all such advertising and marketing to Michigan consumers and residents will be done in accordance with Michigan law.

WHEREAS, a person is prohibited from engaging in the business of a credit union in the state of Michigan unless it is a domestic credit union or foreign credit union pursuant to MCL 490.101 *et seq.*; and

WHEREAS, Section 102(h) of the MCUA, MCL 490.102(h), states that “[c]redit union” means a domestic or foreign credit union;” and

WHEREAS, Section 102(l) of the MCUA, MCL 490.102(l), states that “[d]omestic credit union’ means a cooperative, nonprofit entity organized under this act for the purposes of encouraging thrift among its members, providing a variety of financial services to its members, and providing an opportunity for its members to use and control their own money on a democratic basis in order to improve their economic and social condition;” and

WHEREAS, Section 102(o) of the MCUA, MCL 490.102(o), states that “[f]ederal credit union’ means a credit union organized under the laws of the United States;” and

WHEREAS, Section 102(r) of the MCUA, MCL 490.102(r), states that “[f]oreign credit union’ means a credit union organized under the laws of another state or territory of the United States or a federal credit union;” and

WHEREAS, Section 104(1) of the MCUA, MCL 490.104(1), states that (1) A person shall not use the words "credit union" in its name or any assumed names, unless it is 1 of the following: (a) A domestic credit union or a foreign credit union. (b) A credit union trade association. (c) A credit union service organization; and

WHEREAS, a person desiring to operate as a domestic credit union must first obtain the approval of the Director under Section 301 of the MCUA, MCL 490.301; and

WHEREAS, Section 201 of the MCUA, MCL 490.201, states that “[t]he ... [Director] shall administer the laws of this state relating to credit unions transacting business in this state and shall supervise domestic credit unions, and foreign credit unions other than federal credit unions transacting business in this state;” and

WHEREAS, Section 210(4) of the MCUA, MCL 490.210(4), states that “[i]f the ... [Director] determines that a foreign credit union branch located in this state is acting in violation of the laws of this state or that the activities of the branch are being conducted in an unsafe and unsound manner, the [Director] may take any enforcement action that would be permitted under this act if the branch were a domestic credit union;” and

WHEREAS, Section 211 of the MCUA, MCL 490.211, states that “[i]f the ... [Director] determines that a violation or threatened violation or an unsafe or unsound practice or practices specified in the notice of charges served upon a domestic credit union under section 210, or the continuation of the violation or practice, is likely to cause insolvency or substantial dissipation of assets or earnings of the domestic credit union, or is likely to otherwise seriously prejudice the interests of its depositors, the [Director] may issue a temporary order requiring the domestic credit union to cease and desist from that violation or practice;” and

WHEREAS, former third party publishers operating on the D and D Marketing network and/or unaffiliated third party publishers offered unauthorized payday loans to consumers without Michigan licensure, including, without limitation, Michigan residents, and used

unauthorized terms such as “credit union” in violation of Section 301 of the MCUA, MCL 490.301; and

WHEREAS, former third party publishers operating on the D and D Marketing network and/or unaffiliated third party publishers offered unauthorized payday loans to consumers without Michigan licensure, including, without limitation, Michigan residents and used unauthorized terms such as “credit union” in violation of Section 104 of the MCUA, MCL 490.104; and

WHEREAS, former third party publishers operating on the D and D Marketing network and/or unaffiliated third party publishers offered unauthorized payday loans to consumers, without Michigan licensure, including, without limitation, Michigan residents and used unauthorized terms such as “credit union” constituting a continuing violation of the MCUA; and

WHEREAS, former third party publishers operating on the D and D Marketing network and/or unaffiliated third party publishers offered unauthorized payday loans to consumers, without Michigan licensure, including, without limitation, Michigan residents in violation of Michigan’s Deferred Presentment Service Transactions Act (DPSTA), MCL487.2121 *et. seq.*; and

WHEREAS, D and D Marketing denies that it has, itself, violated any applicable Michigan law, regulation or rule.

ORDER

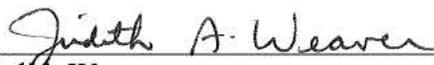
IT IS THEREFORE ORDERED, pursuant to Section 211 of the MCUA, MCL 490.211, that:

1. Respondent shall provide in its Affiliate Agreement for the suspension/termination of third party publishers that do not adhere to state and federal fair trade practice laws, rules and regulations (false advertising, trademark infringement, modifying ad copy, misrepresentation of affiliation with person/entity, etc.), and represent that they are affiliated with a credit union;
2. Respondent shall continue to reasonably monitor its network of third party publishers in its network for compliance with the regulatory requirements referenced herein;
3. Respondent shall not intentionally or knowingly permit unlicensed deferred presentment providers to offer its products and/or services to Michigan residents;
4. In its marketing agreements, Respondent shall immediately prohibit any third party publisher in its network from offering any loans to consumers using terms such as “credit union,” in violation of relevant federal and state laws, and shall

demand that any third party publishers that it learns may be doing so, immediately **CEASE AND DESIST**.

5. In the event that DIFS believes that the Respondent has not complied with any material term contained herein, DIFS shall first notify Respondent in writing within thirty (30) days of the date on which it becomes aware of the alleged breach, specifying the nature of such alleged non-compliance in sufficient detail for the Respondent to take corrective action. Following notice, Respondent shall have a reasonable opportunity to cure any such alleged material noncompliance, during which time no action shall be taken by DIFS. Specifically, Respondent shall have ten (10) business days from receipt of the notice within which to provide a good-faith written response that may include, without limitation, that they have taken reasonable, good faith measures to cure, or have, in fact, cured the alleged noncompliance or are disputing the alleged noncompliance.
6. Failure to reasonably monitor its network in compliance with this ORDER and take corrective action following the notice provisions set forth in the preceding paragraph, may subject Respondent to a criminal penalty of not more than \$25,000 for each violation, or imprisonment of not more than 10 years, or both.
7. The Director retains the right to pursue further administrative action against the Respondent should the Director determine that such action is necessary and appropriate in the public interest, for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the MCUA referenced herein.

DEPARTMENT OF INSURANCE AND
FINANCIAL SERVICES



Judith Weaver
Senior Deputy Director

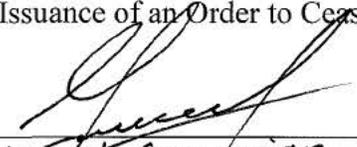
III. STIPULATION

1. D and D Marketing has read and understands the Consent Order above. D and D Marketing agrees that the Senior Deputy Director has jurisdiction and authority to issue this Consent Order pursuant to the MCUA and the Rules promulgated thereunder. D and D Marketing waives the right to a hearing in this matter if this Consent Order is issued. D and D Marketing understands that the Consent Order and Stipulation will be presented to the Senior Deputy Director for approval and the Senior Deputy Director may or may not issue this Consent Order. D and D

Marketing waives any objection to the Director deciding this case following a hearing in the event the Consent Order is not approved.

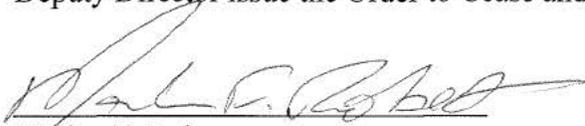
2. The failure to abide by the terms and conditions of this Stipulation to Entry of Consent Order and the Consent Order may, at the discretion of the Senior Deputy Director, result in further administrative compliance actions.
3. The Senior Deputy Director has jurisdiction and authority under the provisions of the MAPA and the MCUA to accept the Stipulation to Entry of Consent Order and to issue a Consent Order resolving these proceedings.
4. D and D Marketing Corporation has had an opportunity to review the Stipulation to Entry of Consent Order and the proposed Consent Order and have the same reviewed by legal counsel.

WHEREFORE, D and D Marketing Corporation executes this Stipulation and Consent to the Issuance of an Order to Cease and Desist intending to be legally bound hereby.


By: David Gasparian
Its: CMO

Dated: 12/19/13

DIFS Staff approves this Stipulated and Consent Order and recommends that the Senior Deputy Director issue the Order to Cease and Desist.


Marlon F. Roberts
Senior Enforcement Attorney

Dated: 12/30/13