

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Pay Day Now, LLC  
and Scott Robison

Enforcement Case No. 11-11369

License No.: UNLICENSED

Respondents.

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COMMISSIONER'S ORDER PURSUANT TO THE  
DEFERRED PRESENTMENT SERVICE TRANSACTIONS ACT

PART A  
FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Office of Financial and Insurance Regulation (OFIR) received notice from MoneyGram indicating that Respondents are conducting deferred presentment service transactions. Respondents' application to MoneyGram stated that it was engaged in the payday loan business and bill pay services business.
2. In response to this notification, OFIR conducted an examination of Respondents' business practices on August 10, 2011.
3. An OFIR investigator entered the business and met with Scott Robison on August 10, 2011. Mr. Robison refused to allow the investigator beyond the reception area and refused to allow the investigator access to business records.
4. The investigator observed that there were blank deferred presentment service transaction agreements on the counter, there was a sign stating "we do not accept starter checks," and other notices required under the Deferred Presentment Service Transactions Act (Act), MCL 487.2121 *et seq.* were posted on the walls.
5. While the investigator was in the lobby, a customer entered the building and stated that she wanted to satisfy her payday loan and request a new payday loan.

6. Mr. Robison was part owner of a previous licensee, Cash Now XXXII, LLC (DP 0013583). That license was revoked on April 21, 2011, for multiple violations of the Act.

7. Respondents do not have a license under the Act.

8. Section 11(1) of the Act, MCL 487.2131(1), states:

(1) Subject to subsection (2), a person shall not engage in the business of providing deferred presentment service transactions after June 1, 2006 without a license under this act. A separate license is required for each location from which the business of providing deferred presentment service transactions is conducted.

9. Section 48 of the Act, MCL 487.2168, states:

(1) If the commissioner finds that a person has violated this act, state or federal law, or an applicable rule or regulation, the commissioner may order the person to pay a civil fine of not less than \$1,000.00 or more than \$10,000.00 for each violation. However, if the commissioner finds that a person has violated this act and that the person knew or reasonably should have known that he or she was in violation of this act, the commissioner may order the person to pay a civil fine of not less than \$5,000.00 or more than \$50,000.00 for each violation. The commissioner may also order the person to pay the costs of the investigation.

(2) A civil fine assessed under subsection (1) may be sued for and recovered by and in the name of the commissioner and may be collected and enforced by summary proceedings by the attorney general. In determining the amount of a fine, the commissioner shall consider the extent to which the violation was a knowing and willful violation, the extent of the injury suffered because of the violation, the corrective action taken by the licensee to ensure that the violation will not be repeated, and the record of the licensee in the complying with this act.

10. Based on the above described conduct, the Commissioner finds that Respondents have engaged in conduct that poses a threat of financial loss or threat to the public welfare and that Respondents have violated the Act by engaging in the business of

providing deferred presentment service transactions without a license under this Act.

11. The Commissioner further finds that Respondents knew or should have known that they are in violation of the Act and their conduct is a continuous, ongoing, knowing, and willful violation of the Act.
12. Because Respondents previously held a license under the Act that was subsequently revoked, they are fully aware of the requirements of the Act. Respondents' ongoing business of providing deferred presentment service transactions without the required licensure is a blatant disregard for the requirements of the Act.

**PART E**  
**ORDER**

Based on the findings of fact and conclusions of law above it is hereby **ORDERED** that:

- A. Pay Day Now, LLC and Scott Robison shall immediately come into compliance with the Act; and
- B. Pay Day Now, LLC and Scott Robison shall pay a civil fine of \$50,000.00.

Dated: 10-20-11

  
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Annette E. Flood  
Chief Deputy Commissioner