

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

Complaint No. 340929

DE-NEXUS TRANSPORTATION SERVICES II LLC  
A/K/A DE-NEXUS TRANSPORTATION SERVICES INC.  
Unregistered

Respondent.

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Issued and entered  
This 27<sup>th</sup> day of January, 2020

NOTICE AND ORDER TO CEASE AND DESIST

The Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the “Department”), under its statutory authority and responsibility to administer and enforce the Limousine, Taxicab, and Transportation Network Company Act, MCL 257.2101 *et seq.* (the “Act”), orders De-Nexus Transportation Services II LLC to cease and desist from violating the Act. Specifically, De-Nexus Transportation Services II LLC is ordered to cease and desist from engaging in the business of a limousine carrier until it obtains a registration with the Department under the Act.

**I. BACKGROUND**

**A. Respondent**

1. De-Nexus Transportation Services II LLC has a registered office address on file with the Department’s Corporations Division of 37336 Camellia Lane, Clinton Township, MI 48036. Its resident agent is Denis Mathews (Mathews). On De-Nexus Transportation Services II LLC’s 2018 Annual Report filed with the Department’s Corporations Division, Mathews identifies himself as the “Owner.” De-Nexus Transportation Services II LLC engages in business activity using the name “De-Nexus Transportation Services Inc.” “De-

Nexus Transportation Services Inc.” is not registered as an assumed name of De-Nexus Transportation Services II LLC with the Department’s Corporations Division.<sup>1</sup>

**B. Findings of Fact**

2. The Act became effective on March 21, 2017.
3. Neither De-Nexus Transportation Services II LLC nor “De-Nexus Transportation Services Inc.” have ever been registered with the Department under the Act. Attached as Exhibit 1 are certificates of registration status.
4. On or about July 16, 2019, M.M. filed a statement of complaint with the Department alleging that an entity named “De-Nexus Transportation Services” was engaging in activity regulated under the Act without being registered with the Department. Specifically, the statement of complaint alleged that this entity was engaging in activity regulated under the Act when one of its vehicles was involved in an accident. A copy of the statement of complaint is attached as Exhibit 2.
5. An internet search for “De-Nexus Transportation Services” and found information on multiple websites identifying an entity named “De-nexus Transportation Services Inc.” as providing non-emergency medical transportation in Michigan. The websites stated that the address for “De-nexus Transportation Services Inc.” was 37336 Camellia Lane, Clinton Township, MI 48036 and that its owner was Denis Mathews. Copies of printouts from the Department’s internet search are attached as Exhibit 3.
6. A search of the Department’s Corporations Division’s online database and found the entity De-Nexus Transportation Services II LLC with a registered office address of 37336 Camellia Lane, Clinton Township, MI 48036. The records found on the Corporations Division’s online database for De-Nexus Transportation Services II LLC also show that its resident agent and owner is Denis Mathews and that the purpose of the company is “non-emergency medical transportation services.” Certified copies of De-Nexus Transportation Services II LLC’s filings with the Corporations Division are attached as Exhibit 4.
7. On August 23, 2019, De-Nexus Transportation Services II LLC, did not deny that it was engaging in the business of providing non-emergency medical transportation but did deny that it was engaging in such activity at the time of the motor vehicle accident referenced in M.M.’s statement of complaint. A copy of the response is attached as Exhibit 5.
8. To date, the Department has not received an application from De-Nexus Transportation Services II LLC or “De-nexus Transportation Services Inc.,” under the Act.

**II. RELEVANT STATUTORY PROVISIONS**

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<sup>1</sup> The Department’s Corporations Division also has record of a separate legal entity named “De-Nexus Transportation Services Inc.” This entity was incorporated on April 18, 2014 and dissolved on July 15, 2017.

9. MCL 257.2102 provides the following definitions as used in the Act:

(d) "Limousine" means a self-propelled motor vehicle used in the carrying of passengers and the baggage of passengers for hire with a seating capacity of 8 passengers or fewer, including the driver. Limousine does not include a commercial vehicle. . . .

(e) "Limousine carrier" means a person who, either directly or through any device, dispatch system, or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by limousine.

10. MCL 257.2104(1) provides that a "limousine carrier . . . shall not operate in this state without first having registered with the department under this act."

11. MCL 257.2149 provides the following:

(1) A limousine carrier, taxicab carrier, or transportation network company, or an officer or agent of a limousine carrier, taxicab carrier, or transportation network company who requires or knowingly permits a driver to drive or operate a limousine, taxicab, or personal vehicle in violation of this act, or a rule promulgated under this act, is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both.

(2) In addition to the fine authorized by this section, the department may assess a fine against a person who violates this act that covers the actual cost to the department of the investigation and enforcement of the violation, including attorney fees.

(3) A proceeding held under this act shall be held under chapter 4 of the administrative procedures act of 1969 [MCL 24.271 *et seq.*] . . . .

12. MCL 257.2151 provides the following:

All of the following apply to a person that violates this act or rules or an order promulgated or issued under this act:

(a) The person is subject to denial of a registration or renewal of a registration.

(b) The attorney general or the proper prosecuting attorney may institute appropriate criminal proceedings under this Act against the person with or without a reference from the department.

(c) The department or any other person, to enforce compliance with this act, may bring an action in a circuit court in any county in which the limousine carrier, taxicab carrier, or transportation network company has solicited or sold its services, whether or not that person purchased or used the limousine carrier's, taxicab carrier's, or transportation network company's services or is personally aggrieved by a violation of this act. The court may award damages, issue equitable orders in accordance with the Michigan court rules to restrain conduct in violation of this act, and award reasonable attorney fees and costs to a prevailing party.

13. MCL 257.2153 provides the following:

(1) The director of the department or his or her designee may order a limousine carrier, taxicab carrier, or transportation network company to cease and desist from a violation of this act, a rule promulgated under this act, or an order issued under this act.

(2) A limousine carrier, taxicab carrier, or transportation network company that receives an order to cease and desist described in subsection (1) may request a hearing before the department if the limousine carrier, taxicab carrier, or transportation network company files a written request for a hearing no later than 30 days after the effective date of the cease and desist order.

(3) If a limousine carrier, taxicab carrier, or transportation network company violates an order to cease and desist issued under subsection (1), the attorney general may apply to a court of competent jurisdiction to restrain and enjoin, either temporarily or permanently, that limousine carrier, taxicab carrier, or transportation network company from further violating the order to cease and desist.

### **III. CONCLUSIONS OF LAW**

14. De-Nexus Transportation Services II LLC, a/k/a De-Nexus Transportation Services Inc., engaged in activity regulated by the Act by providing transportation services by limousine to passengers for hire and for a fee without first registering with the Department under the Act, contrary to MCL 257.2104(1).

### **IV. ORDER**

IT IS THEREFORE ORDERED, under MCL 257.2153(1), that:

- A. De-Nexus Transportation Services II LLC a/k/a De-Nexus Transportation Services Inc., must immediately CEASE AND DESIST from further violating the Act, as set forth above, by ceasing to hold itself out to the public as willing to transport passengers for hire by limousine in this state until it obtains a certificate of registration from the Department under the Act.
- B. The Department, under MCL 257.2149(2), intends to recoup the costs of its investigation and enforcement of this matter by way of a FINE of \$251.55 against Respondent, plus any additional costs incurred by the Department after the issuance of this Order, if any, payable within 60 days of the date that this order becomes final.
- C. This CEASE AND DESIST ORDER IS IMMEDIATELY EFFECTIVE.
- D. Under MCL 257.2149(1), a limousine carrier or taxicab carrier who requires or knowingly permits a driver to drive or operate a limousine or taxicab in violation of the Act is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both. **ACCORDINGLY, FAILURE TO COMPLY WITH THIS ORDER MAY SUBJECT RESPONDENT**

**TO THESE ADDITIONAL CRIMINAL SANCTIONS, FINES, AND/OR PENALTIES.**

- E. Under MCL 257.2151(c), the Department may bring an action in a circuit court in which Respondent solicited or sold its services to enforce compliance with the Act. The court may award damages, issue equitable orders to restrain violations of the Act, and award reasonable attorney fees and costs to a prevailing party. The Department retains the right to pursue a civil action against Respondent under MCL 257.2151(c) if it determines that such action is in the public interest.
- F. Under MCL 257.2153(3), if Respondent violates this Cease and Desist Order, the attorney general may apply to a court of competent jurisdiction to restrain and enjoin Respondent from further violating this Cease and Desist Order.

**V. NOTICE OF OPPORTUNITY FOR HEARING**

Respondent has thirty (30) days beginning with the first day after the date of service of this **NOTICE AND ORDER TO CEASE AND DESIST** to submit a written request to the Department asking that this matter be scheduled for a hearing. If the Department receives a written request in a timely manner, the Department will schedule a hearing. The written request for a hearing must be addressed to:

Corporations, Securities & Commercial Licensing Bureau  
Regulatory Compliance Division  
P.O. Box 30018  
Lansing, MI 48909

**VI. ORDER FINAL ABSENT HEARING REQUEST**

- A. Respondent's failure to submit a written request for a hearing to the Department within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes imposition of the fine described in section IV.B. The fine is due to the department within 60 days after the date this order becomes final:

\$251.55 fine – imposed against De-Nexus Transportation Services II LLC, under MCL 257.2149(2).

- B. The FINE must be made payable to the STATE OF MICHIGAN, by cashier's check or money order with Complaint No. 340929 clearly indicated on the check or money order, and mailed to the following address:

Corporations, Securities & Commercial Licensing Bureau  
Final Order Monitoring – Securities & Audit Division  
P.O. Box 30018  
Lansing, MI 48909

- C. Failure to pay the fine within six (6) months after this Order becomes final may result in the referral of the fine to the Michigan Department of Treasury for collection action against Respondent.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS



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Linda Clegg, Interim Director  
Corporations, Securities & Commercial Licensing  
Bureau



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Date