

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Finacristoc Bank

Enforcement Case No. 20-16244

Agency No: 20-1059

Respondent.

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**Issued and entered
on October 30, 2020
by Randall S. Gregg
Senior Deputy Director**

TEMPORARY ORDER TO CEASE AND DESIST

The Department of Insurance and Financial Services (DIFS) is statutorily charged with the responsibility and authority to administer and implement the Banking Code of 1999 (Code), 1999 PA 276, as amended, MCL 487.11101 *et seq.* Pursuant to Section 2304 of the Code, MCL 487.12304, DIFS issued a Notice of Charges and Notice of Hearing to Respondent on November 2, 2020. Section 2305 of the Code, MCL 487.12305, provides that “[i]f the commissioner determines that the violation or threatened violation of the unsafe or unsound practice or practices, specified in the notice of charges served upon the institution under section 2304(1), or the continuation of the violation or practice, is likely to cause insolvency or substantial dissipation of assets or earnings of the institution, or is likely to otherwise seriously prejudice the interests of its depositors, the commissioner may issue a temporary order requiring the institution to cease and desist from any violation or practice. The order shall become effective upon service upon the institution and, unless set aside, limited, or suspended by a court in proceedings authorized by subsection (2), shall remain effective and enforceable pending the completion of the proceedings under section 2304.” DIFS now finds as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. DIFS is responsible for the regulation of banks doing business in the state of Michigan and enforcement of the provisions of the Code.
2. Respondent Finacristoc Bank is either currently or has in the past maintained an internet website at the URL of <https://finacristoc.com>. On this website, Respondent purports or purported to be a bank headquartered at 145 Ionia Avenue NW, Grand Rapids, MI 49703. The website contains a series of pages and subpages designed to create the appearance that Respondent is a legitimate authorized bank that offers banking and crediting services, inclusive of savings and checking accounts, loans, and credit cards.

3. Respondent's website invites consumers to apply for an account by clicking on a link on its website which opens up a form that requires the entry of personal information, including the applicant's social security number. Consumers are required to complete the form and submit it through the online portal on Respondent's website. Recently, consumer MM began the online application process but discontinued it after he became suspicious about its legitimacy. MM did not click the "submit" button for his application but was unable to delete his personal information prior to exiting the website. Subsequently, he made several phone calls to the telephone number listed on Finacpristoc's website in an attempt to ensure that his personal information was deleted, but the line was answered each time by a pre-recorded message.
4. DIFS investigation determined that Finacpristoc Bank is not located at the address listed on its website and DIFS was otherwise unable to identify any physical location whatsoever for Finacpristoc Bank. Moreover, DIFS investigators were unable to make contact with any bank representatives by using the telephone number listed on Finacpristoc's website. The only evidence that DIFS was able to uncover regarding the existence of Finacpristoc Bank is the website described above.
5. Respondent is not a domestic bank authorized to commence business in the state of Michigan pursuant to Sections 3101-3108 of the Code, MCL 487.13101-13108.
6. Respondent is not a foreign bank authorized to commence business in the state of Michigan pursuant to Section 5101 of the Code, MCL 487.15101.
7. Respondent is not authorized as a national bank or under the International Banking Act of 1978.
8. Respondent is operating as a bank in this state without authorization in violation of Section 1105 of the Code, MCL 487.11105.
9. Respondent is using the word "bank" in its business name in this state in violation of Section 1106 of the Code, MCL 487.11106.
10. On November 2, 2020, DIFS issued and served upon Respondent a Notice of Charges and Notice of Hearing, pursuant to Section 2304 of the Code, MCL 487.12304. Through that notice, Respondent was informed that its business practices were in violation of the Code.
11. Respondent's business practices are likely to seriously prejudice the interests of its depositors.

ORDER

IT IS THEREFORE ORDERED, pursuant to Section 2305 of the Code, MCL 487.12305, that:

Finacpristoc Bank shall immediately **CEASE AND DESIST** from operating its website, <https://finacpristoc.com>, from conducting any and all business operations as Finacpristoc Bank, and from committing any acts in violation of the Code as described above.

Dated: October 30, 2020



Randall S. Gregg
Senior Deputy Director

NOTICE OF RIGHTS

Within 10 days after an institution has been served a temporary cease and desist order under MCL 487.12305, an institution may apply to the circuit court for the county in which the principle office of the institution is located for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of the order pending the completion of the proceedings under MCL 487.12304.

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Finacristoc Bank

Enforcement Case No. 20-16224

Agency No: 20-1059

Respondent.

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NOTICE OF CHARGES

The Department of Insurance and Financial Services (DIFS) is statutorily charged with the responsibility and authority to administer and implement the Banking Code of 1999 (Code), 1999 PA 276, as amended, MCL 487.11101 *et seq.* Pursuant to Section 2304 of the Code, MCL 487.12304, the Director or her designee is empowered to issue a notice of charges to an institution if, in the opinion of the Director or her designee, the institution is engaged in an unsafe or unsound practice in conducting the business of the institution or is violating, has violated, or is about to violate a law or rule. It is the opinion of the Senior Deputy Director that Respondent Finacristoc Bank (Respondent) is either violating or has violated the Code in the manner set forth in the statement of facts below.

A. STATEMENT OF FACTS

1. Respondent Finacristoc Bank is either currently or has in the past maintained an internet website at the URL of <https://finacristoc.com>. On this website, Respondent purports or purported to be a bank headquartered at 145 Ionia Avenue NW, Grand Rapids, MI 49703. The website contains a series of pages and subpages designed to create the appearance that Respondent is a legitimate authorized bank that offers banking and crediting services, inclusive of savings and checking accounts, loans, and credit cards.
2. Respondent's website invites consumers to apply for an account by clicking on a link on its website which opens up a form that requires the entry of personal information, including the applicant's social security number. Consumers are required to complete the form and submit it through the online portal on Respondent's website. Recently, consumer MM began the online application process but discontinued it after he became suspicious about its legitimacy. MM did not click the "submit" button for his application but was unable to delete his personal information prior to exiting the website. Subsequently, he made several phone calls to the telephone number listed on Finacristoc's website in an attempt to ensure that his personal information was deleted, but the line was answered each time by a pre-recorded message.
3. DIFS investigation determined that Finacristoc Bank is not located at the address listed on its website and DIFS was otherwise unable to identify any physical location whatsoever for Finacristoc Bank. Moreover, DIFS investigators were unable to make contact with any bank representatives by using the telephone number listed on Finacristoc's website. The only evidence that DIFS was able to uncover regarding the existence of Finacristoc Bank is the website described above.

4. Respondent is not a domestic bank authorized to commence business in the state of Michigan pursuant to Sections 3101-3108 of the Code, MCL 487.13101-13108.
5. Respondent is not a foreign bank authorized to commence business in the state of Michigan pursuant to Section 5101 of the Code, MCL 487.15101.
6. Respondent is not authorized as a national bank or under the International Banking Act of 1978.
7. Respondent is operating as a bank in this state without authorization in violation of Section 1105 of the Code, MCL 487.11105.
8. Respondent is using the word "bank" in its business name in this state in violation of Section 1106 of the Code, MCL 487.11106.

B. NOTICE OF HEARING

Date: December 8, 2020
Time: 9:00 a.m.
Judge: Christopher Saunders

Due to the Covid-19 situation, this hearing will be held remotely by telephone. Your call in number and code to participate in the hearing is below.

Call in Number: [REDACTED]

Guest Code: [REDACTED]

You are hereby notified that an administrative hearing has been set for the date and time listed above to determine whether an order to cease and desist should be issued based upon the allegations contained in the Notice of Charges. Please be advised that the Michigan Office of Administrative Hearings and Rules will be issuing its own Notice of Hearing which may contain additional instructions.

Dated: October 30, 2020



Randall S. Gregg
Senior Deputy Director