

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of Financial and Insurance Regulation

**Office of Financial and Insurance Regulation,
Petitioner**

v

Enforcement Case No. 09-7522

**Conrad-Williamson, LLC
d/b/a Pay Now,
Respondent**

For the Petitioner:

**Marlon Roberts
Office of Financial and Insurance
Regulation
P.O. Box 30220
Lansing, MI 48909-7720**

For the Respondent:

**Conrad-Williamson, LLC
d/b/a Pay Now
7229 E. Nine Mile Road
Warren, MI 48091**

**Issued and entered
this 20th day of July 2010
by Ken Ross
Commissioner**

FINAL DECISION

On May 13, 2010, Chief Deputy Commissioner Stephen R. Hilker issued to Respondent an Order for Hearing, Administrative Complaint, and Statement of Factual Allegations set forth detailed allegations that Respondent had violated provisions of the Deferred Presentment Service Transactions Act (MCL 487.2121, *et seq.*). The Order for Hearing required Respondent to take one of the following actions within 21 days: agree to and sign a settlement with the Office of Financial and Insurance Regulation (OFIR), file an answer to the allegations stated in the complaint and a statement that Respondent plans to attend the hearing, or file a request for an adjournment giving good reasons why a postponement is necessary. Respondent failed to take any of these actions.

On June 18, 2010, the Petitioner filed a Motion for Final Decision. Given Respondent's failure to comply with the Order for Hearing, Petitioner's motion is granted.

II
FINDINGS OF FACT
and
CONCLUSIONS OF LAW

The following factual allegations and conclusions of law, stated in the Administrative Complaint and Statement of Factual Allegations, are adopted and made part of this Final Decision.

1. At all times pertinent to the matter herein, Conrad-Williamson, LLC d/b/a Pay Now ("Respondent") was a licensed deferred presentment service provider in the State of Michigan. Respondent knew or had reason to know that Section 34(8) of the Deferred Presentment Service Transactions Act ("the Act"), MCL 487.2154(8), states in pertinent part:

When a deferred presentment service transaction is closed, the licensee shall designate the transaction as closed and immediately notify the database provider, but in no event after 11:59 p.m. on the day the transaction is closed. The commissioner shall assess an administrative fine of \$100.00 for each day that the licensee fails to notify the database provider that the transaction has been closed.

2. Respondent knew or had reason to know that Section 34(7) of the Act, MCL 487.2154(7), states:

Before entering into a deferred presentment service transaction, a licensee shall submit to the database provider the customer's name and address, the customer's social security number, driver license number, or other state-issued identification number, the amount of the transaction, the customer's check number, the date of the transaction, the maturity date of the transaction, and any other information reasonably required by the commissioner or the database provider, in a format reasonably required by the commissioner.

3. Contrary to the Act, on January 31, 2009 Respondent failed to timely close a deferred presentment service transaction with [REDACTED] and failed to notify the database provider after the customer satisfied her obligation under the deferred presentment service agreement.
4. By failing to timely close a deferred presentment service transaction and failing to notify the database provider to close the transaction, Respondent violated Section 34(8) of the Act, MCL 487.2154(8).
5. The Act requires a licensee to submit identifying data of the customer and information concerning the transaction. Respondent submitted inaccurate information to the database provider for six of its customers and as result was unable to properly determine whether the customers were eligible to enter into a deferred presentment service transaction pursuant to MCL 487.2154. The customers and transaction dates are: [REDACTED] (January 9, 2009), [REDACTED] (July 31, 2008), [REDACTED] (April 30, 2008), [REDACTED] (August 22, 2008), [REDACTED] (January 23, 2009), and [REDACTED] (July 10, 2008).
6. By failing to provide to the database provider the information required by the Act, Respondent violated MCL 487.2154(7).

ORDER

It is ordered that the Respondent's deferred presentment service provider license is revoked.



Ken Ross
Commissioner