

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

Office of Financial and Insurance Regulation,  
Petitioner

v  
Cash Now XXXII, LLC,  
Respondent

Enforcement Case No. 10-11081  
Agency No. 11-007-DP

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For the Petitioner:

William Peattie  
Office of General Counsel  
Office of Financial and Insurance  
Regulation  
P.O. Box 30220  
Lansing, MI 48909-7720

For the Respondent:

Cash Now XXXII  
2005 Kalamazoo SE  
Grand Rapids, MI 49507

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Issued and entered  
this 22<sup>nd</sup> day of April 2011  
by R. Kevin Clinton  
Commissioner

**FINAL DECISION**

**I. Background**

On February 22, 2011, Chief Deputy Commissioner Stephen R. Hilker issued to Respondent an Order for Hearing, Administrative Complaint, and Statement of Factual Allegations in the above-captioned case which set forth detailed allegations that Respondent violated the Deferred Presentment Service Transactions Act (the Act), MCL 487.2121, *et seq.* The order 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 March 21, 2011, the Petitioner filed a Motion for Final Decision in this case. 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 facts and conclusions of law, taken from the February 22, 2011 Administrative Complaint, are adopted and made part of this Final Decision:

### **COUNT I**

1. Respondent failed to timely close several deferred presentment service transactions and notify the database provider to close the transactions after its customers satisfied their obligations under their deferred presentment service agreements.
2. By failing to timely close deferred presentment service transactions and notify the database provider to close the transactions, Respondent violated Section 34(8) of the Act, MCL 487.2154(8).

### **COUNT II**

3. Respondent failed to submit to the database provider identifying data of the customer and information concerning the transaction for eight of its customers and, as a result, it was not possible to determine whether the customers were eligible to enter into deferred presentment service transactions pursuant to MCL 487.2154(7) and MCL 487.2153(2).
4. By failing to provide the database provider with the information required by the Act, Respondent violated MCL 487.2154(7) and MCL 487.2153(2).

### **COUNT III**

5. Respondent's deferred presentment service agreements were not in compliance with the requirements of MCL 487.2152 as described below:

- Respondent's facsimile number was not stated on the agreement as required by MCL 487.2152(2)(b)
  - The transaction numbers assigned by the database provider were not included in the agreements as required by MCL 487.2152(2)(e).
  - Respondent failed to itemize on the agreements all of the fees to be paid by the customer as required by MCL 487.2152(2)(g).
  - Respondent failed to include the transaction maturity dates in the agreements as required by MCL 487.2152(2)(k).
  - The 12-point type notice required by MCL 487.2152(2)(n) was not included in the agreements.
  - The arbitration provision included in Respondent's agreements failed to meet the requirements of MCL 487.2152(3).
6. By failing to include the foregoing information in its deferred presentment service agreement, Respondent violated MCL 487.2152.

### III. Order

Based on the conduct described above, it is ordered that:

1. Pursuant to section 48 of the Act, MCL 487.2168, Respondent shall pay a civil fine of \$5,000.00; and
2. Pursuant to section 47 of the Act, MCL 487.2167, Respondent's deferred presentment license is revoked.



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R. Kevin Clinton  
Commissioner