

IN THE MATTER OF:

ROADRUNNER TITLE PAWN, L.L.C.;
ADVANCED EZ CASH, L.L.C.
a/k/a ADVANCED EZ CASH, LLC
a/k/a ADVANCED EZ CASH LLC

GEORGE T. PARKER
a/k/a TIMOTHY PARKER
a/k/a TIM PARKER; and

MANDY LYNN PARKER
f/k/a MARGARET TERESA VICK,

RESPONDENTS

BEFORE THE MARYLAND

COMMISSIONER OF
FINANCIAL REGULATION

OAH No. DLR-CFR-76-15-18512
CFR: CFR-FY2015-0021

PROPOSED FINAL ORDER

The Proposed Decision ("Proposed Decision") of the Administrative Law Judge (the "ALJ"), issued on September 21, 2016 in the above captioned case, having been received, read and considered, it is, by the Commissioner of Financial Regulation (the "Commissioner") this 21st of November, 2016 **ORDERED**,

A. That the **FINDINGS OF FACT** ("FF") in the Proposed Decision be, and hereby are, **ADOPTED** except as **AMENDED** below:

1. FF 13, on March 13, 2015, the Acting Deputy Commissioner revoked the Commissioner's delegation of authority to OAH. (CFR Ex. 9).
2. FF 14, on May 4, 2015, the Acting Deputy Commissioner re-delegated the case to OAH. (CFR Ex. 10).
3. FF 16, the Commissioner issued Advanced EZ Cash L.L.C. ("Advanced EZ Cash") a consumer lending license, effective August 20, 2015. (CFR Ex. 344).
4. FF 17, on December 3, 2015, the Acting Deputy Commissioner issued an Amended Summary Order to Cease and Desist, and on December 4, 2015, the Acting Deputy

Commissioner issued a Revised Amended Summary Order (“Amended Summary Order”) reflecting the legal name change of Margaret Teresa Vick to Mandy Lynn Parker. (CFR Ex. 13).

5. FF 34 footnote 11 is amended to add the date of May 10, 2014 on which Linda Smith signed the statement from Roadrunner regarding repossession. (CFR Ex. 36).

6. FF 55 is amended to state that Key filed a complaint with the Commissioner. (CFR Ex. 31).

7. FF 134 is amended to state 2000 Pontiac Sunfire (deleting 2005 Dodge Neon). (CFR Ex. 13 Attachment 1).

8. FF 184 is amended to state that Murray purchased a new starter and left it with Respondents. (CFR Ex. 365).

9. Typographical error on page 57, first paragraph, “commercial” lender is corrected to “consumer” lender. (CFR Ex. 344).

B. That the following additional findings of fact are **ADOPTED**:

1. Parker is an authorized signer on the deposit accounts of Roadrunner and Advanced EZ Cash. (CFR Ex. 348).

2. Parker issued checks drawn on the deposit accounts of Roadrunner and Advanced EZ Cash to consumers. (CFR Exs. 41, 348, 355, 372).

3. Parker accepted payments on behalf of Roadrunner. (CFR Exs. 39, 358, 369).

4. Parker took loan applications, and approved loans from Roadrunner and Advanced EZ Cash. (CFR Exs. 351, 358, 367, 370).

5. Parker performed collection activity on behalf of Advanced EZ Cash. (CFR 371).

6. After receiving the Amended Summary Order in December 2015, Parker called a meeting attended by Vick and employees, instructing them that it was legal to continue collecting payments from consumers, make loans to consumers, and repossess vehicles from consumers. (CFR Ex. 371).

7. Over the two days following the December 2015 meeting, the office manager processed all of Roadrunner's accounts, converting them all to Advanced EZ Cash accounts. (CFR Ex. 371).

8. Between December 2015 and January 2016, Parker directed employees to repossess approximately 45-50 vehicles. (CFR Ex. 371).

9. On August 20, 2015, Parker personally entered into an Auto Agreement with Carpegna. (CFR Ex. 354).

10. Vick is an owner of Roadrunner and Advanced EZ Cash. (CFR Ex. 348).

11. Vick is an authorized signer on the deposit accounts owned by Roadrunner and Advanced EZ Cash. (CFR Ex. 348).

12. Vick issued checks on behalf of Roadrunner and Advanced EZ Cash to consumers. (CFR Exs. 348, 365, 367, 369, 375).

13. Vick entered into loan agreements on behalf of Advanced EZ Cash. (CFR Exs. 374, 375).

14. On July 10, 2015, Vick personally entered into an Auto Loan Contract with James Roger Maynard, Jr. (CFR Ex. 363).

15. Parker and Vick each worked at Roadrunner and Advanced EZ Cash. (CFR Ex. 303).

16. After receiving the Amended Summary Order, Parker instructed the employees of Advanced EZ Cash that it was legal for Advanced EZ Cash to make new loans to consumers, and continue repossessing vehicles from consumers. (CFR Ex. 371).

17. Roadrunner and Advanced EZ Cash filed liens on vehicles with the Maryland Vehicle Administration. (CFR Exs. 361, 365, 367, 370, 372, 375).

18. Advanced EZ Cash did not send any notices to consumers after repossession of their vehicles. (CFR Ex. 371).

19. Between December 2015 and January 2016, Parker and Vick advertised for sale over 50 different vehicles that had been repossessed previously. (CFR Ex. 371).

C. That pursuant to § 10-220(d) of the State Government Article, Md. Code Ann., the Commissioner finds that the above-stated Findings of Fact in the Proposed Decision are modified for the following reasons:

1. The Acting Deputy Commissioner has the powers and duties of the Commissioner to the extent delegated by the Commissioner, and if for any reason the Commissioner is unable to perform the duties of the office. Md. Code Ann., Fin. Inst. Art. ("FI"), § 2-103(e).

2. Only the Commissioner has the statutory authority to grant licenses.

3. The Amended Summary Order was revised on December 4, 2015.

4. Inserting the date in footnote 11 associated with FF 34 resolves the apparent conflict between the FF and footnote.

5. The complaint referenced in FF 55 was made to the Commissioner who has the statutory authority to investigate complaints.

6. Other changes were made to correct typographical or factual misstatements.

7. That the Commissioner has made additional findings of fact based on the evidence in the record that supports the ALJ's discussion and conclusions of law, that:

a. Parker and Vick personally participated in the business activities of Roadrunner and Advanced EZ Cash (*see* Proposed Decision at 50-51).

b. Parker and Vick engaged in unlicensed activity (*see* Proposed Decision at 76).

c. Respondents repossessed personal property securing consumer loans (*see* Proposed Decision at 76 and 77).

d. Respondents did not send post-repossession notices to consumers (*see* Proposed Decision 76).

e. Respondents sold vehicles securing consumer loans (*see* Proposed Decision 77).

D. That the **CONCLUSIONS OF LAW** in the Proposed Decision be, and hereby are, **ADOPTED** except as **AMENDED** below:

1. The definition of usury pursuant to Md. Code Ann., Comm. Law Art. ("CL"), § 12-101(k) in the Discussion of Count 2 of the Amended Summary Order¹ is deleted.

2. Counts 8, 9, 10, 12, 13, and 14 in the Amended Summary Order² are dismissed with prejudice.

3. Respondents made loans for less than \$700.00 in value and secured by personal property in violation of CL § 12-311(c)(1).

¹ The Amended Summary Order was incorrectly referred to as the Final Summary Order by the ALJ in the Proposed Decision. *See* Proposed Decision at 53.

² *Id.*

E. Pursuant to § 10-220(d) of the State Gov. Art., Md. Code Ann., the Commissioner finds that the above described Conclusions of Law of the ALJ had to be modified for the following reasons:

1. The definition of usury pursuant to CL § 12-101(k) in Count 2, which definition of usury applies only to CL § 12-101 *et seq.*, is not relevant. Respondents were charged with violating the interest provisions of CL § 12-301 *et seq.* (the Maryland Consumer Loan Law or MCLL).

2. The ALJ in the Proposed Order did not consider that the Amended Summary Order was issued “to supplement and fully supersede the Original Summary Order.” Accordingly, the charges for violation of the Original Summary Order are not supported, and therefore are dismissed.

3. The reference to Com. Law § 2-311(c)(1) was a typographical error.

DISCUSSION

This matter comes before the Commissioner of Financial Regulation to issue a Proposed Order, after Administrative Law Judge Geraldine A. Klauber (the ALJ) issued a Proposed Decision after an evidentiary hearing at the Office of Administrative Hearings (OAH) in the above-captioned matter. As explained in the Statement of the Case in the Proposed Decision, the Commissioner, in response to consumer complaints and after an investigation of those complaints, charged Respondents with violating: 1) the Maryland Consumer Loan Law – Credit Provisions, Md. Code Ann., Comm. Law Art., § 12-301 through § 12-317 (2013 and Supp. 2015), and the Maryland Consumer Loan Law – Licensing Provisions, Md. Code Ann., Fin. Inst. Art., § 11-201 through § 11-233 (2011 and Supp. 2015), collectively the Maryland Consumer Loan Law or the MCLL; 2) the Interest and Usury (U&I) law, Comm. Law Art. § 12-101 through 12-127 (2013 and Supp. 2015); 3) the Maryland Consumer Debt Collection Act

(MCDCA), Comm. Law § 14-201 through § 14-404 (2013); and 4) numerous orders of the Commissioner, as described in the Proposed Decision.³

An evidentiary hearing was convened at OAH and, over seven days in June, 2016, the parties introduced documentary evidence and presented witnesses in support of their respective cases. Afterwards, the ALJ issued a Proposed Decision on September 21, 2016. As discussed herein, the Commissioner, in large part, agrees with and adopts the ALJ's legal analysis.

A. The Vehicle Title Loans Made by Respondents Were Subject to the Maryland Consumer Loan Law.

The Commissioner rejects Respondents' defense that the loans at issue were not subject to the MCLL and that they were valid pawn transactions. First, the decision by the Honorable Donald E. Beachley of the Circuit Court for Washington County is entitled to preclusive effect under the doctrine of collateral estoppel. Proposed Decision at 50. After a preliminary injunction hearing, Judge Beachley concluded that Respondents' title loan agreements (both the "Title Agreements" and the "BOS accounts") were subject to the MCLL. *See* CFR Ex. 329. The doctrine of collateral estoppel provides that, "[w]hen an issue of fact or law is actually litigated and determined by a valid and final judgment, and the determination is essential to the judgment, the determination is conclusive in a subsequent action between the parties, whether on the same or a different claim." *Cosby v. Dep't of Human Res.*, 425 Md. 629, 639 (2012) (quoting *Murray Int'l Freight Corp. v. Graham*, 315 Md. 543, 547 (1989)) (alteration in original). The doctrine is based "upon the judicial policy that the losing litigant deserves no rematch after a defeat fairly suffered, in adversarial proceedings, on issues raised, or that should have been raised." *Colandrea v. Wilde Lake Cmty. Ass'n, Inc.*, 361 Md. 371, 391 (2000) (citation omitted).

³ Unless otherwise noted, all citations to the Commercial Law Article are to the 2013 Volume, 2014 and 2015 Supplements, and all citations to the Financial Institutions Article are to the 2011 Volume, 2015 Supplement.

Treating adjudicated facts as established is fair because it “protect[s] litigants from the burden of relitigating an identical issue with the same party or his privy and ...promot[es] judicial economy by preventing needless litigation.” *Garrity v. State Bd. of Plumbing*, 447 Md. 359, 368 (2016) (quoting *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326, 99 S. Ct. 645, 58 L.Ed.2d 552 (1979)).

In order for collateral estoppel to apply, the following questions must be answered in the affirmative:

1. Was the issue decided in the prior adjudication identical with the one present in the action in question?
2. Was there a final judgment on the merits?
3. Was the party against whom the plea is asserted a party or in privity with a party to the prior adjudication?
4. Was the party against whom the plea is asserted given a fair opportunity to be heard on the issue?

Garrity, 447 Md. at 369 (internal citations omitted); *see also Cosby v. Dept. of Human Resources*, 425 Md. 629, 639 (2012).

Here, the answer to each of these questions is “yes.” The issue addressed by Judge Beachley is identical to the issue raised here. Respondents did not appeal from the Circuit Court’s order and therefore that order became a final decision. The parties are the same here as were before the Circuit Court. And the parties were given a fair opportunity to be heard on the issue before Judge Beachley. Thus, the doctrine applies. Respondents are collaterally estopped from arguing that their title loan agreements are not subject to the MCLL. Judge Beachley’s ruling will be given preclusive effect.

In addition, the law is clear that Respondents’ loans are subject to the MCLL. The MCLL is a consumer protection statute that must be “interpreted and construed to effectuate its general remedial purpose.” *See* FI § 11-221 and CL § 12-315; *see also B&S Marketing Enterprises, LLC v. Consumer Protection Div.*, 153 Md.App. 130, 153-55 (2003). It applies to

any non-exempt individual, business, or other person making a loan or advance of money or credit to consumers in Maryland, primarily for personal, family or household purposes, in amounts of \$6,000 or less. *See, e.g.*, FI § 11-201(c), and CL §§ 12-301(e), 12-303, 12-309(a), 12-314(a),(b); *see also B&S Marketing Enterprises, LLC*, 153 Md.App. at 153-55. The MCLL contemplates various types of loan transactions, including repayment in a single lump sum or in installments (*see, e.g.*, CL § 12-306(d),(e)), as well as both secured and unsecured loans (*see, e.g.*, CL §§ 12-306(a)(7)(iii), 12-311(c)). The MCLL applies, regardless of their form or what a contract may say on its face. *See* CL § 12-303(c); *see also B&S Marketing Enterprises*, 153 Md.App. at 153-55. Further, the MCLL applies to lenders making loans to consumers in the State of Maryland, regardless of the state of residence of the borrower. *See* CL § 12-314(c).

The MCLL applies to “vehicle title loans.” A “vehicle title loan” is a transaction, like all of those at issue here, where a lender makes a loan secured by a consumer’s vehicle, while the consumer is entitled to maintain use and control of their vehicle while repaying the loan. Other states recognize “vehicle title loans” as a credit product in which a lender takes a security interest in a consumer borrower’s vehicle, while the borrower maintains use and control of their vehicle while repaying the loan. The borrower is required to deposit the vehicle title with the lender. The loan approval and amount are primarily based on the vehicle’s value rather than a credit check and traditional underwriting. *See, e.g. Midwest Title Loans, Inc. v. Mills*, 593 F.3d 660, 662 (2010).

The vehicle title loans made to consumers in Maryland by the Respondents are subject to the MCLL, regardless of what the contract is called or how the loan terms are structured. Such loans involve secured loans made to borrowers for personal, family, or household purposes, and in dollar amounts that are well under \$6,000. The Commissioner’s decisions in prior administrative proceedings establish the Commissioner’s position that vehicle title loans are a

type of secured consumer loan subject to the MCLL, and that non-exempt persons offering or making title loans to borrowers in Maryland are “consumer lenders” subject to licensing and regulation by the Commissioner under the MCLL. *See In the Matter of Turbo Title Loan Company*, CFR-EU-2010-104; *Lorraine Bush and Maryland Commissioner of Financial Regulation v. Sovereign Lending Solution, T/A Title Loan America*, MDOT-MVA-13-15-25561. These prior agency adjudications explain the Commissioner’s interpretation of the law and how it will implement and enforce the law. *See Proposed Decision at 45-46.*

In the present matter, the evidence demonstrates that Respondents made loans to Maryland consumers that are subject to the MCLL. As found by the ALJ, Roadrunner was not licensed under the MCLL and it made 450 consumer loans while not licensed. *See FF 25, 27-28.* Those loans are detailed on CFR Ex. 377, which was admitted without objection. *See Proposed Decision at 45.* As such, the loans made to those consumers, as identified on Ex. 377, are unenforceable and the consumers are entitled to restitution. *See CL § 12-413(b)(2).* Similarly, Advanced EZ Cash made 308 loans to consumers while it was not licensed under the Consumer Loan Law.⁴ FF 29. Thus, the loans made to those consumers were unenforceable and the consumers are entitled to restitution. *See CL § 12-413(b)(2).* Those loans are detailed on CFR Ex. 378, which was admitted into evidence and stipulated to by Respondents as accurate. *Proposed Decision at 53-54.*

The Commissioner also rejects Respondents’ argument that the vehicle title loans were valid pawn transactions, subject to the Maryland Secondhand Precious Metal Object Dealers and Pawnbrokers Act, Md. Code Ann., Bus. Reg. (“BR”) § 12-101 *et seq.* (hereinafter “Pawnbrokers

⁴ Of the 308 loans, 185 loans were made prior to Advanced EZ Cash becoming licensed as a consumer lender and 123 loans were made after Advanced EZ Cash’s license was suspended. *See Proposed Decision at 54, n. 13, 14; CFR Ex. 378.*

Act”).⁵ Under the Pawnbrokers Act, a pawn transaction is defined as a loan of money by a dealer on deposit or pledge of personal property or other valuable thing other than securities or printed evidences of indebtedness, or a purchase by a dealer of personal property or other valuable things on condition of selling the same back at a stipulated price.⁶ A pledge is a security device in which the creditor’s security interest depends upon obtaining and holding possession of the property, primarily for security.⁷ Possession is the essence of a pledge, and a pledge cannot legally exist without it.⁸ A pledge requires “complete possession on the part of the pledgee of the property pledged” and that [t]he dominion of the pledger over the pledged property must also be completely excluded”.⁹

In all cases at issue here, the consumers retained possession and use of the vehicles, and Respondents did not take possession of any vehicle except for those vehicles that it repossessed. Even though Respondents changed their business practices after the Amended Summary Order in an attempt to disguise the loan transactions as sales by having the consumers sign blank bills of sale and provide signed titles to the vehicles to the Respondents, consumers still retained possession and use of the vehicles. Respondents did not take possession of any vehicle except for those that it repossessed.

Further, assuming *arguendo* that the title loans were properly considered pawn transactions under Maryland law, title loans still would be subject to the MCLL because the MCLL does not contain an exemption for pawn transactions.

⁵ The Secondhand Precious Metal Object Dealers and Pawnbrokers Act is administered and enforced by the Secretary of the Department of Labor, Licensing and Regulation and not by the Commissioner of Financial Regulation. *See generally* BR § 12-101 *et seq.*

⁶ BR §12-101(h) (2014).

⁷ Restatement (First) of Security §1 Comment a. (Am. Law Inst., March 2016 update).

⁸ *Security Warehousing Co. v. Hand*, 206 U.S. 415 (420-421 (1907)).

⁹ *Hamilton Ridge Lumber Sales Corp. v. Wilson*, 25 F.2d 592, 595 (4th Cir. 1928).

B. Respondents Parker and Vick Are Personally Liable for Violations of the MCLL.

The Commissioner rejects Respondents' defense that Parker and Vick could not be held personally liable for any of the violations and resulting penalties without piercing the corporate veil, and agrees with the ALJ that Parker and Vick are jointly and severally liable for the violations. *See* Proposed Decision at 50-51. Roadrunner and Advanced EZ Cash are Maryland limited liability companies. Pursuant to Md. Code Ann., Corps. & Ass'ns § 4A-301, no member of a limited liability company shall be personally liable for the obligations of the limited liability company, whether arising in contract, tort or otherwise, solely by reason of being a member. *See* Md. Code Ann., Corps. & Ass'ns § 4A-301 (1992).

In *Allen v. Dackman*, 413 Md. 132 (2010), the Court interpreted the meaning of owner under the Baltimore City Housing Code ("Code"), which by its terms stated that it should be liberally construed to effectuate the Code's remedial purpose, and established that any owner or operator of a property subject to the Code is responsible for compliance. 413 Md. at 143. The Court held that a reasonable trier of fact could find a member of a limited liability company to be an owner of the property as defined in the Housing Code, and could find the member personally liable if that the member personally committed, inspired, or participated in the alleged tort. *Id.* at 141.

Similarly, by its terms, the MCLL is to be liberally construed to effectuate its remedial purpose, and any licensee or his officer or employee who knowingly violates any provision of CL §§ 12-303, 12-306, 12-308, 12-313, or 12-314 is guilty of a misdemeanor. *See* CL §§ 12-315 and 12-316. Respondents are charged with making loans subject to the MCLL without a license, and violating CL §§ 12-303, 12-306, 12-313, and 12-314. After Parker and Vick received the Amended Summary Order, they knowingly continued to make loans to consumers, collect payments from consumers, and repossess vehicles securing the consumers' loans. Accordingly,

Parker and Vick personally committed, inspired, or participated in the violations, and are jointly and severally liable for the violations.

Further, Section 11-204 of the Financial Institutions Article provides, in pertinent part, “[u]nless a person¹⁰ is licensed by the Commissioner, the person may not: (1) make a loan; or (2) in any way use any advantage provided by the Maryland Consumer Loan Law.” FI § 11-204(a) (emphasis added); *see also* CL § 12-302 (“a person may not engage in the business of making loans under this subtitle unless the person is licensed under or is exempt from the licensing requirements of Title 11, Subtitle 2 of the Financial Institutions Article, the Maryland Consumer Loan Law – Licensing Provisions”). Section 11-215 authorizes the Commissioner to take summary action against “a licensee or any other person . . . about to engage in an act or practice constituting an evasion or violation of the Maryland Consumer Loan Law . . .” FI § 11-215; *see also* FI § 2-115 (enforcement powers of the Commissioner when the Commissioner “determines that a person has engaged in an act or practice constituting a violation of a law, regulation, or order over which the Commissioner has jurisdiction”). Accordingly, the Commissioner concludes that there is jurisdiction over Parker and Vick, as individual persons, and that they may be held personally liable for violations of the law and resulting penalties.

C. Equitable Estoppel Does Not Apply.

As noted in the Proposed Decision, Respondents argued that the Commissioner should be estopped from bringing an enforcement action against them because of the actions of the State to

¹⁰ “Person” is defined at FI § 1-101(q) to include “an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, association, corporation, or other entity.”

license Advanced EZ Cash as a pawnbroker and a consumer lender.¹¹ See Proposed Decision at 51. The doctrine of equitable estoppel requires: 1) a voluntary representation of one party, 2) that is relied on by another party, 3) to the other party's detriment. See *Reichs Ford Road Joint Venture v. State Roads Commission*, 388 Md. 500, 524 (2005). The doctrine, however, does not apply against the State or its agencies, in the performance of their governmental functions. *ARA Health v. Dept. of Public Safety*, 344 Md. 85, 96 (1996); *Salisbury Beauty Schools v. State Board*, 268 Md. 32, 63-64 (1973); *Heartwood 88, Inc. v. Montgomery County*, 156 Md. App. 333, 370 (2004). Moreover, even if it were to apply, Respondents' argument fails for the reasons stated in the Proposed Decision. Proposed Decision at 52.

PENALTIES AND RESTITUTION.

Before ordering a penalty, the Commission must consider the following factors:

- (1) The seriousness of the violation;
- (2) The good faith of the violator;
- (3) The violator's history of previous violations;
- (4) The deleterious effect of the violation on the public and the industry involved;
- (5) The assets of the violator; and
- (6) Any other factors relevant to the determination of the financial penalty.

FI § 2-115(c). Considering these factors, the Commissioner finds that the violations are serious, both in their severity and sheer number; that Respondents actions and conduct showed the absence of good faith; that Respondents repeatedly violated the Amended Summary Order, thus showing willful conduct; that Respondents' actions had a deleterious effect on many consumers;

¹¹ The Commissioner first notes that, although the Commissioner is responsible for licensing consumer lenders, pursuant to Fin. Inst. Art., § 11-201 *et seq.*, the Secondhand Precious Metal Object Dealers and Pawnbrokers Act is administered and enforced by the Secretary of the Department of Labor, Licensing and Regulation and not by the Commissioner of Financial Regulation. See generally BR § 12-101 *et seq.* Accordingly, the pawnbroker license that was issued to Respondents Vick and Advanced EZ Cash was issued by Secretary of DLLR, after Ms. Minion, an investigator for the Secondhand Precious Metal and Pawnbrokers Licensing Unit, met with them. FF 9-12.

and that, although Respondents were required to provide documents regarding their assets and had an opportunity to do so at the evidentiary hearing, the Commissioner is unable to consider the Respondents' assets because Respondents failed to provide the required documents in response to the Order to Produce or present evidence of such documents at the evidentiary hearing. Having considered these factors, the Commission concludes civil penalties are warranted and the Commissioner adopts the penalty calculation in the Proposed Decision at 74-75.

NOW THEREFORE, it is by the **COMMISSIONER OF FINANCIAL REGULATION** hereby:

ORDERED that Respondents repeatedly violated Md. Code Ann., Fin. Inst. §§ 11-204, and 11-219(b); Md. Code Ann., Com. Law. §§ 12-115(e), 12-115(g), 12-302, 12-306(a), 12-306(a)(7)(iii), 12-311(c)(1), 12-313(a)(1), 12-314(a), 14-202(8), and the Amended Summary Order and Order to Produce;

FURTHER ORDERED that, having determined that Respondents violated the law as discussed herein, Respondents shall cease and desist from offering, entering into agreements to make, or making title loans, title pawns, or any other consumer loans to persons in the State of Maryland; collecting or attempting to collect on any consumer loan previously made in Maryland, including but not limited to collecting or attempting to collect any principal, interest, finance charge, or any other fees related to title loan transactions; repossessing or otherwise taking possession of any motor vehicles or other personal property securing consumer loans; selling, assigning, or transferring to any third party any motor vehicles or other personal property securing any consumer loans that Respondents made to Maryland consumers; and filing any liens with the Motor Vehicle Administration against motor vehicles related to loans made to Maryland consumers;

FURTHER ORDERED that Respondents are personally liable to the State of Maryland for \$1,370,000.00 as a penalty for the numerous violations of the Maryland Consumer Loan Law;

FURTHER ORDERED that the Respondents shall pay the Commissioner, by cashier's check or certified check made payable to the "Commissioner of Financial Regulation," the amount of \$1,370,000.00, in penalties, within twenty (20) days from the date of this **PROPOSED FINAL ORDER**; interest will accrue on any monetary penalties at the constitutional rate of 6% annual simple interest from the date of the **FINAL ORDER**;

FURTHER ORDERED that the consumer loan license of Respondent Advanced EZ Cash is hereby revoked;

FURTHER ORDERED that Respondents shall take such actions as necessary to release any and all liens on motor vehicles securing consumer loans made by Respondents;

FURTHER ORDERED that Respondents shall pay restitution to consumers in the amounts reflected in the column marked "Value of Known Payments, Damage and Loss" in CFR Exs. 377 and 378, attached hereto and incorporated by reference (the sorted by customer name pages only). The Respondents shall make payment by mailing to the consumer a check in the amount specified therein via First Class Mail, postage prepaid, at the most recent address of the consumer known to the Respondents. If mailing is returned as non-deliverable, the Respondents shall promptly notify the Commissioner in writing for further instruction as to the means of making said payment. Upon making the required payment, the Respondents shall furnish a copy of the front and back of the cancelled check for the payment to the Commissioner as evidence of having made payment, within sixty (60) days of the date of this **PROPOSED FINAL ORDER**;


FURTHER ORDERED that Respondents shall be and hereby are jointly and severally liable for the payment of penalties and monetary awards of restitution under this **PROPOSED FINAL ORDER**;

FURTHER ORDERED that Respondents shall send all correspondence, notices, civil penalties, and other required submissions to the Commissioner at the following address: Commissioner of Financial Regulation, 500 N. Calvert Street, Suite 402, Baltimore, MD 21202, Attention: Proceedings Administrator;

FURTHER ORDERED that the records and publications of the Commissioner of Financial Regulation shall reflect this decision.

NOTICE OF RIGHT TO FILE EXCEPTIONS

Pursuant to COMAR 09.01.03.09, Respondents have the right to file exceptions to this **PROPOSED FINAL ORDER** and present arguments to the Commissioner. Respondents have twenty (20) days from the postmark date of this **PROPOSED FINAL ORDER** to file exceptions with the Commissioner. COMAR 09.01.03.09A(1). The date of filing exceptions with the Commissioner is the date of personal delivery to the Commissioner or the postmark date on mailed exceptions. COMAR 09.01.03.09A(2). Unless written exceptions are filed within the twenty (20)-day deadline noted above, this Order shall be deemed to be the **FINAL ORDER** of the Commissioner, and subject to judicial review pursuant to SG § 10-222.



GORDON M. COOLEY
COMMISSIONER OF FINANCIAL REGULATION

EXHIBIT 377
(sorted by consumer name)

REDACTED