

IN THE MATTER OF:
ROADRUNNER TITLE PAWN, LLC;
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

Case No.: CFR-FY2015-0021

**AMENDED SUMMARY ORDER TO CEASE AND DESIST,
SUMMARY SUSPENSION OF CONSUMER LENDER LICENSE,
AND ORDER TO PRODUCE, (REVISED)**

WHEREAS the Maryland Department of Labor, Licensing and Regulation, Office of the Commissioner of Financial Regulation (the "Agency") conducted an investigation into the business activities of Roadrunner Title Pawn, LLC ("Roadrunner"), Advanced EZ Cash, L.L.C. a/k/a Advanced EZ Cash, LLC a/k/a Advanced EZ Cash LLC ("Advanced EZ Cash"), George T. Parker a/k/a Timothy Parker a/k/a Tim Parker ("Parker"), and Mandy Lynn Parker f/k/a Margaret Teresa Vick ("Vick"),¹ (collectively, the "Respondents"); and

¹ This revised order corrects the Amended Summary Order, originally issued on December 3, 2015, to reflect that Margaret Teresa Vick legally changed her name to Mandy Lynn Parker, pursuant to an Order for Name Change issued by the Circuit Court for Washington County in Case Number 21C15054196. No other changes have been made to the Amended Summary Order. However, she will continue to be referred to as "Vick" throughout this document to distinguish her from George Timothy Parker (who is referred to as "Parker"), and also because her name continues to be listed as Margaret Teresa Vick in all of the documents and information filed by her, or on her behalf, with the Agency.

WHEREAS, as a result of that investigation, the Commissioner of Financial Regulation (the "Commissioner") finds grounds to allege that Respondents violated Commercial Law Article ("CL"), Title 12, Subtitle 3, Annotated Code of Maryland, and Financial Institutions Article ("FI"), Title 11, Subtitle 2, Annotated Code of Maryland (collectively the Maryland Consumer Loan Law, or "MCLL"), CL Title 12, Subtitle 1 (the Interest and Usury Law, or "I&U"), and CL Title 14, Subtitle 2 (the Maryland Consumer Debt Collection Act, or "MCDCA"); and the Commissioner finds that action under FI §§ 2-115(a), 11-215(b) and State Government Article ("SG") § 10-226(c)(2), Annotated Code of Maryland, is appropriate; and

WHEREAS, the Commissioner issued a Summary Order to Cease and Desist against Respondents Roadrunner and Parker only on November 17, 2014 (the "Original Summary Order"); and

WHEREAS, the Commissioner has determined that it is in the public interest to issue this Amended Summary Order to Cease and Desist, Summary Suspension of Consumer Lender License, and Order to Produce ("Amended Summary Order") against all of the Respondents to supplement and fully supersede the Original Summary Order.

NOW, THEREFORE, the Agency has determined, for the reasons set forth below, that the public welfare imperatively requires that the Maryland consumer lender license (Consumer Loan License No. 1521) of Advanced EZ Cash be SUMMARILY SUSPENDED, effective immediately; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from engaging, directly or indirectly, in the business of making title loans or other consumer loans to Maryland residents or to any other consumers in the State of Maryland (collectively, hereinafter, "Maryland

consumers”), and from otherwise engaging in lending activities in the State of Maryland; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from collecting on, and from receiving any money or other valuable consideration related to, any loans previously made to Maryland consumers, or related to any motor vehicles or other personal property securing any such loans; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from taking possession of, towing, repossessing, or otherwise foreclosing upon, (collectively, “repossessing”), any motor vehicles or other personal property securing any loans previously made to Maryland consumers; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from filing any liens with the Maryland Motor Vehicle Administration (“MVA”) or any other governmental agency on any motor vehicles or other personal property securing any loans previously made to Maryland consumers, and from otherwise perfecting any security interest as to such loans; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from titling any motor automobiles or other personal property securing any loans previously made to Maryland consumers in their own name or in the name of any other person; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from selling, transferring, or otherwise assigning any loans previously made to Maryland consumers to any person, and from selling, transferring, or otherwise assigning any motor vehicles or other personal property securing any such loans; and that it is in the public interest that all Respondents immediately CEASE AND DESIST from retaining any motor vehicles securing any loans previously made to Maryland consumers, and thus Respondents must immediately release to Maryland consumers, at no cost to those

consumers, all motor vehicles (and all vehicle contents at the time of repossession) that are in the actual or constructive possession of the Respondents, their employees, their relatives, their agents, such as third-party towing companies, or any other person.

GENERAL AUTHORITY AND JURISDICTION

1. FI §§ 2-115(a) and (b) set forth the Commissioner's general authority to issue summary cease and desist orders, and to take additional actions for violations of laws, regulations, rules, and orders over which the Commissioner has jurisdiction (in addition to taking any other action permitted by law, and subject to a hearing or waiver of hearing), including issuing final cease and desist orders, suspending or revoking licenses, issuing monetary penalties, or taking any combination of these actions.

2. FI §§ 2-114(a) and (b) set forth the Commissioner's general authority to order the production of information, as well as documents and records, while investigating potential violations of laws, regulations, rules, and orders over which the Commissioner has jurisdiction (which is in addition to the Commissioner's specific investigatory authority set forth in various other Maryland statutes and regulations). Thus, FI § 2-114(a)(2) provides that the Commissioner may "[r]equire . . . a person to file a statement in writing, under oath or otherwise as the Commissioner determines, as to all the facts and circumstances concerning the matter to be investigated." Further, pursuant to FI § 2-114(b), "the Commissioner or an officer designated by the Commissioner may," among other things, "take evidence, and require the production of books, papers, correspondence, memoranda, and agreements, or other documents."

3. The Commissioner has jurisdiction over the business activities at issue in this case. Pursuant to CL § 12-302 and FI §§ 11-203 – 11-216, the Commissioner has the

authority to license and regulate, to investigate potential violations, and to enforce the provisions of the MCLL. Pursuant to FI § 11-216(a)(2), the Commissioner has authority to enforce the MCDCA against consumer lenders.

4. In the present matter, the Agency began an investigation into the business activities of Respondents Roadrunner and Parker (the “Original Respondents”) in September 2014 as a result of consumer complaints. Pursuant to its preliminary inquiry into these complaints, the Agency developed reasonable grounds to believe that these Original Respondents had engaged in unlicensed and predatory business practices in violation of various provisions of Maryland Law, including violations of the MCLL. Consequently, the Agency issued the Original Summary Order against Roadrunner and Parker on November 17, 2014. The Agency subsequently developed reasonable grounds to believe that the Original Respondents had violated the MCLL as to numerous other Maryland consumers, that the Original Respondents regularly and systematically violated the Commissioner’s Original Summary Order after it was served on Respondents on November 18, 2014, and that Respondents Advanced EZ Cash and Vick, acting in conjunction with the Original Respondents, engaged in unlicensed and predatory business practices in violation of various provisions of Maryland Law, including violations of the MCLL, I&U, and the MCDCA. The legal and factual bases for these determinations are described below.

**APPLICABLE PROVISIONS OF THE
MARYLAND CONSUMER LOAN LAW (MCLL)**

5. Pursuant to 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, Annotated Code of Maryland, known as the Maryland Consumer Loan Law – Licensing Provisions.”

6. Pursuant to CL § 12-301(c), a “lender” “means a person who makes a loan under [Title 12, Subtitle 3 of the Commercial Law Article].”

7. Pursuant to CL § 12-301(e), a “loan” “means any loan or advance of money or credit made under [Title 12, Subtitle 3 of the Commercial Law Article].”

8. False advertising by lenders is prohibited by CL § 12-304(a), which provides as follows: “[a] lender may not directly or indirectly print, publish, distribute, or broadcast any false, misleading, or deceptive statement regarding the rates, terms, or conditions of a loan.”

9. CL § 12-306 specifies the maximum interest rates which a lender is permitted to charge on a loan under Title 12, Subtitle 3 of the Commercial Law Article. Section 12-306(a)(6)(i) provides as follows: “For any loan with an original principal balance of \$2,000 or less, 2.75 percent interest per month on that part of the unpaid balance not more than \$1,000 and 2 percent interest per month on that part of the unpaid principal balance that is more than \$1,000.” This section, therefore, permits a lender to charge a maximum annual interest rate of 33 percent interest on unpaid principal balances up to \$1,000, and 24 percent on unpaid principal balances over \$1,000. Section 12-306(a)(6)(ii) provides: “For any loan with an original principal balance of more than \$2,000, the maximum rate of interest is 2 percent per month on the unpaid principal balance of the loan.” This section only permits a lender to charge a maximum annual interest rate of 24 percent on the unpaid principal balance of the loan.

10. For loans subject to the MCLL which are secured by personal property, including loans secured by motor vehicles, CL § 12-306(a)(7)(iii) requires the following: “[u]pon the borrower’s default, if the loan is secured by personal property, [that] the lender complies with § 12-115 of this title concerning repossession and redemption of the goods securing the loan.”

11. CL § 12-308 sets forth various duties that lenders have towards borrowers, including, but not limited to, the following: the duty to provide a written statement containing specific language and provisions at the time the loan is made, including quoting specific provisions of the MCLL and complying with CL § 12-106(b) (at CL § 12-308(a)); the duty to provide receipts for payments (at CL § 12-308(b)); the obligation to permit prepayment of the loan, in full or in part, without penalty (at CL § 12-308(c)); the duty to provide specific documents after full repayment of the loan (at CL § 12-308(d)); and the duty to provide a written statement of the account upon request from the borrower (at CL § 12-308(e)).

12. CL § 12-310(a) provides that, “[f]or purposes of this subtitle, any profit or advantage which a person contracts for, collects, receives, or obtains by a collateral sale, purchase, or agreement in connection with negotiating, arranging, or making a loan is considered a charge for a loan.”

13. CL § 12-311(c)(1) provides, in relevant part, as follows: “[a] lender may not take any security interest in . . . (ii) [p]ersonal property for any loan under \$700 in value or amount. . . .” In turn, pursuant to CL § 12-311(c)(2), “[a]ny lien taken in violation of this subsection is void.”

14. Pursuant to CL § 12-313(a)(1), a lender is prohibited from directly or indirectly contracting for, charging, or receiving, “any interest, discount, fee, fine, commissioner, charge, brokerage, or other consideration in excess of that permitted by this subtitle.”

15. CL § 12-313(b), provides, in relevant part, that “[i]f any amount in excess of the charges permitted by this subtitle is directly or indirectly contracted for, charged, or received by a licensee or a person who is exempt from licensing, and (1) if the excess charge was made willfully for the benefit of the lender, then the lender may not receive or retain any interest or compensation with respect to the loan.”

16. CL § 12-314 provides, in relevant part, as follows:

(a) *Prohibited.* – A person may not lend \$6,000 or less if the person directly or indirectly contracts for, charges, or receives a greater rate of interest, charge, discount, or other consideration than that authorized by the laws of this State.

(b) *Loans unenforceable; exceptions.* –

(1) A loan made in the amount of \$6,000 or less, whether or not the loan is or purports to be made under this subtitle, is unenforceable if a rate of interest, charge, discount or other consideration greater than that authorized by the laws of this State is contracted for by any person unless the excess rate contracted for is the result of a clerical error or mistake and the person corrects the error or mistake before any payment is received under the loan.

(2) The person who is neither a licensee nor exempt from licensing may not receive or retain any principal, interest, or other compensation with respect to any loan that is unenforceable under this subsection.

* * *

17. Pursuant to CL § 12-315, the provisions of Title 12, Subtitle 3 “shall be interpreted and construed to effectuate its general remedial purpose.”

18. Pursuant to CL § 12-316, “[a]ny licensee or his officer or employee who knowingly violates any provision of §§ 12-303 through 12-306, § 12-308, § 12-311, § 12-313, or § 12-314 of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500 or imprisonment not exceeding 6 months or both.”

19. Pursuant to FI § 11-204(a), “[u]nless a person is licensed by the Commissioner, the person may not: (1) [m]ake a loan”

20. FI § 11-216(a) provides, in relevant part, that “the Commissioner may suspend or revoke the license of any licensee who: (1) [v]iolates any provision of the Maryland Consumer Loan Law; or (2) [k]nowingly and repeatedly violates any provision of the Maryland Consumer Debt Collection Act.”²

21. FI § 11-219(a) prohibits the sale of loan accounts to unlicensed persons (*i.e.*, those not licensed under the MCLL), and FI § 11-219(b) provides that loan accounts acquired by unlicensed persons are unenforceable.

22. Pursuant to FI § 11-222, “[a]ny person who violates any provision of § 11-204(a) of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$5,000 or imprisonment not exceeding 3 years or both.”

APPLICABLE PROVISIONS OF THE INTEREST AND USURY LAW (I&U)

23. CL § 12-106(b) of I&U, which must be adhered to for consumer loans pursuant to CL § 12-308(a)(1)(ii) of the MCLL (as indicated above), requires, among other things, that before execution of a loan contract, lenders provide borrowers with the following: a written statement setting forth the total principal amount of the loan, the

² This provision is separate from the Commissioner’s additional authority to suspend or revoke licenses pursuant to FI § 11-215(b) for violations of laws, regulations, rules or orders over which the Commissioner has jurisdiction.

total amount of finance charge to be paid, the annual effective rate of simple interest charged, and the itemized amount of payments in addition to interest payable to the lender in connection with the loan at the time the loan is made; or alternatively, if the loan is subject to the disclosure provisions of the federal Truth in Lending Act, that the lender complies with the applicable disclosure provisions of the federal act and its regulations. Failure to adhere to these requirements for consumer loans constitutes a violation of both CL § 12-106(b) and CL § 12-308(a)(1)(ii).

24. CL § 12-115 of I&U, which must be adhered to for personal property securing consumer loans pursuant to CL § 12-306(a)(7)(iii) of the MCLL (as indicated above), sets forth the requirements for repossession of goods securing a loan.³ Pursuant to CL § 12-115(a), if a lender complies with the statutory rates of interest set forth in I&U or the MCLL, a lender may repossess goods securing a loan under an agreement if the borrower is in default, using legal process or self-help without force. Thus a lender that fails to comply with the statutory interest rate caps under the MCLL or I&U is not entitled to repossess personal property securing a consumer loan, and repossession of personal property by a lender making such usurious loans would violate both CL § 12-115(a) and CL § 12-306(a)(7)(iii). CL § 12-115(b) indicates that § 12-115 does not authorize a violation of criminal law.

25. Other relevant provisions of CL § 12-115 address various notices related to repossession, and the associated rights of borrowers and lenders related to those notices. Thus, CL § 12-115(c) sets forth the contents for a voluntary notice that a lender

³ For purposes of this Amended Summary Order, the term “repossession” means foreclosing upon, or taking possession of, personal property securing a consumer loan, through self-help or any other means. Further, for purposes of this Summary Order, the term “goods” is equivalent to the term “personal property.”

may serve on borrowers at least 10 days prior to repossession, and CL § 12-115(d) sets forth the service requirements for this notice prior to repossession. CL § 12-115(e) sets forth the requirements for a mandatory notice that a lender must serve on borrowers within 5 days after repossession, and CL § 12-115(f) requires that a lender must retain any repossessed goods for 15 days after the lender gives the mandatory notice after repossession set forth in CL § 12-115(e). Pursuant to CL § 12-115(g), during the 15 day period following service of the mandatory notice after repossession, borrowers have the right to redeem and take possession of the goods and resume the performance of the agreement. CL § 12-115(h) sets forth the requirements for borrowers to redeem the goods under CL § 12-115(g), and provides, among other things, that the borrower is only required to pay the actual and reasonable expenses of retaking and storing the goods (such as automobile towing and storage fees) *if* the lender provided the discretionary notice prior to repossession set forth in CL § 12-115(c). Failure to adhere to these requirements for repossession of (*i.e.*, foreclosing upon) personal property securing consumer loans constitutes a violation of CL § 12-308(a)(1)(ii) of the MCLL.

**APPLICABLE PROVISIONS OF THE
MARYLAND CONSUMER DEBT COLLECTION ACT (MCDCA)**

26. Pursuant to the MCDCA, “*collector*” is defined at CL § 14-201(b) as “a person collecting or attempting to collect an alleged debt arising out of a consumer transaction.” In turn, “*consumer transaction*” is defined at CL § 14-201(c) as “any transaction involving a person seeking or acquiring real or personal property, services, money, or credit for personal, family, or household purposes.”

27. Pursuant to CL § 14-202(8) of the MCDCA, “[i]n collecting or attempting to collect an alleged debt,” a “collector” may not “[c]laim, attempt, or threaten to enforce a right with knowledge that the right does not exist.”

FACTUAL DETERMINATIONS

28. The Agency’s investigation of the business activities of Respondents revealed the following:

a. Respondent Roadrunner is a Maryland limited liability company whose primary business address is 1423 Dual Highway, Suite 21, Hagerstown, Maryland 21740 (although Roadrunner’s Articles of Incorporation filed with the Maryland Department of Assessments and Taxation (“MDAT”) indicate that it operates from Suite 22 at that same street address). It was formed and registered with MDAT on or about February 18, 2014.

b. Respondent Advanced EZ Cash is a Maryland limited liability company whose primary business address is 1423 Dual Highway, Suite 21, Hagerstown, Maryland 21740. It was formed and registered with MDAT on or about February 4, 2015.

c. Respondents Parker and Vick (the “individual Respondents”) are the owners, members, directors, officers, and/or managers of Respondents Roadrunner and Advanced EZ Cash (the “Respondent business entities”). The individual Respondents direct or exercise control over the business activities and finances of the Respondent business entities, including with regard to their lending and collections activities with Maryland consumers. Respondent Parker is the managing member of the Respondent business entities.

d. The primary business of the Respondent business entities is to make high-interest consumer loans secured by the consumer's motor vehicle or other titled personal property (commonly referred to as "title loans"). Respondents often perfected their security interest on these motor vehicles by filing liens with the Maryland MVA. The Respondents regularly use self-help, directly or indirectly through third parties, to repossess motor vehicles listed as the security interest on these consumer loans, typically when a consumer is late making a payment.

e. The Respondents have acted in concert in a single enterprise, and engaged in business activities in the State of Maryland with Maryland consumers.

29. With regard to Respondents' business activities related to Roadrunner, the Agency's investigation demonstrated the following:

a. The individual Respondents, through Roadrunner, began making high interest loans to Maryland consumers in March 2014. However, Roadrunner has never been licensed by the Commissioner to make consumer loans in the State of Maryland, nor is it exempt from licensing under the MCLL. Further, Roadrunner has never held any type of license issued by the Commissioner.

b. In September 2014, the Agency received a complaint related to an "auto title loan" that the Respondents had entered into with Maryland consumer [REDACTED] (Consumer A). The loan document was titled as "Title Agreement," and the "Creditor/Lender" is listed on the agreement as "Roadrunner Title Pawn, LLC."

c. Pursuant to their agreement with Consumer A, which was entered into on or about June 10, 2014, the Respondents provided a \$1,200 loan to Consumer A, in exchange for which she was required to repay the full amount of the loan plus a

finance charge of \$507.38 within 30 days, with a single lump sum payment of \$1,707.38 due by July 10, 2014. This constitutes an annual interest rate, as well as an annual percentage rate, of 514.42% (although the loan documents incorrectly state that the annual percentage rate is 486.55%). Further, the loan was secured by Consumer A's automobile, a 2004 Toyota Scion.

d. The Respondents repossessed Consumer A's vehicle on or about August 9, 2014, but did not provide Consumer A with the discretionary notice set forth in CL § 12-115(c), and never provided Consumer A the required notice after repossession pursuant to CL § 12-115(e). Consumer A subsequently made two payments to the Respondents totaling \$1,700 later in August 2014 to redeem her vehicle. Consumer A was subsequently told by the Respondents that she was required to make a payment of \$479.88 by September 8, 2014. Consumer A went to Roadrunner's business address to make the payment on or about September 9, 2014, and while inside, her car was again repossessed by the Respondents. Consumer A requested the return of her personal items from the car, including her cell phone and other personal belongings, but the owners, managers, and employees of Roadrunner refused to comply with her request.

e. The Respondents charged, collected, or attempted to collect repossession and storage costs from Consumer A, even though Respondents never served Consumer A with the discretionary notices set forth in CL § 12-115(c).

f. Consumer A then contacted a Maryland attorney who represented the Respondents, and requested return of her tags and of her personal effects. Although the tags were eventually returned to Consumer A, her personal belongings were never returned by the Respondents.

g. The Agency also received a complaint from Maryland consumer [REDACTED] (Consumer B) related to two "auto title loans" that Respondents had entered into with Consumer B. The loan document was titled as "Title Agreement," and the "Creditor/Lender" is listed on the agreement as "Roadrunner Title Pawn, LLC."

h. Pursuant to their first agreement with Consumer B, which was entered into on or about June 20, 2014, Respondents provided a \$300 loan to Consumer B, in exchange for which Consumer B was required to repay the full amount of the loan plus a finance charge of \$147.47 within 30 days, with a single lump sum payment of \$447.47 due by July 20, 2014. This constitutes an annual interest rate, as well as an annual percentage rate, of 598.07% (although the loan documents incorrectly state that the annual percentage rate is 486.55%). Further, the loan was secured by Consumer B's automobile, a 1998 Honda Passport.

i. With regard to this first loan from the Respondents, Consumer B paid \$447.47 to Respondents on July 21, 2014 (one day late), and then was required to pay another \$300, which she paid on August 14, 2014. As such, Consumer B paid a total of \$747.47 on her \$300 loan.

j. Pursuant to their second agreement with Consumer B, which was entered into on or about August 14, 2014, the Respondents provided a \$650 loan to Consumer B, in exchange for which Consumer B was required to repay the full amount of the loan plus a finance charge of \$287.44 within 30 days, with a single lump sum payment of \$937.44 due by September 13, 2014. This constitutes an annual interest rate, as well as an annual percentage rate, of 538.02% (although the loan documents

incorrectly state that the annual percentage rate is 486.55%). Further, the loan was secured by Consumer B's automobile, a 1998 Honda Passport.

k. Respondents made hundreds of other title loans to Maryland consumers through Roadrunner (the "Roadrunner Loans"), all of which involve terms similar to those of Consumers A and B. **Attachment 1** to this Amended Summary Order contains a list of 284 Roadrunner Loans, providing the names of the consumers, the loan amounts, the stated annual interest rate on each loan, and other relevant information. Each of the Roadrunner Loans was secured by the consumer's motor vehicle or other titled personal property, and involved a very high rate of interest, with an annual interest rate of well over 400%. For most of these loans, including 261 of the 284 loans listed at Attachment 1, the Respondents understated the true annual interest rate in the applicable loan documents, just as they had done with regard to Consumers A and B. Further, many of the loans were for amounts less than \$700 in value, including 206 of the 284 loans listed at Attachment 1 (which includes the loans made to Consumer B). Although prohibited by CL § 12-311(c)(1) and (2), the Respondents still took a security interest in all such consumers loans less than \$700 in value.

l. Respondents' written agreements through Roadrunner represented that the Respondents could repossess, charge fees, and sell secured motor vehicles and other personal property without providing the required disclosures, notices, or otherwise adhering to the requirements set forth in CL § 12-115. Such provisions occurred with every loan that Respondents entered into with Maryland consumers, including each of the 284 loans listed at Attachment 1, as well as every other loan made through Roadrunner that is not listed at Attachment 1. Further, Respondents regularly charged repossession

and storage costs without having served the discretionary notice set forth in CL § 12-115(c), they failed to give consumers the required *notice after repossession* required under CL § 12-115(e), and for all motor vehicles or other personal property sold by Respondents after taking possession, or which they titled in their own name, they failed to retain the property for the requisite period required under CL § 12-115(f) – namely for 15 days after the required notice was given under CL § 12-115(e).

30. The Commissioner's Original Summary Order, which was served on the Original Respondents on November 18, 2014, prohibited Roadrunner and Parker from, among other things, making any new loans to Maryland consumers, and from collecting or attempting to collect on any loans previously made to Maryland consumers.

31. However, the Agency's investigation revealed that the Original Respondents regularly and systematically violated the Commissioner's Original Summary Order after it was issued and served on the Original Respondents.

a. After the issuance and service of the Original Summary Order, the Original Respondents knowingly and repeatedly collected or attempted to collect, either directly or indirectly through others, on multiple title loans that the Original Respondents had previously made to Maryland consumers. The Original Respondents did so by directly telephoning consumers, and/or by repossessing consumers' motor vehicles or other personal property. For example, with regard to the title loan that they had previously made on May 27, 2014 to [REDACTED] (Consumer C), the Original Respondents attempted to collect on that loan by telephoning Consumer C directly on all of the following dates: December 11, 2014; December 31, 2014; February 18, 2015; April 1, 2015; and April 4, 2015. As another example, in late April or early May 2015,

the Respondents repossessed the motor vehicle of [REDACTED] (Consumer D), which vehicle secured a loan made through Roadrunner to Consumer D on August 6, 2014. Over the ensuing several weeks, Respondent Parker told both Consumer D and a lienholder and interested party, [REDACTED], that they would have to pay off the balance of the loan in cash in order to redeem the vehicle. However, Parker verbally gave them different pay-off amounts each time that they spoke, with the amount increasing each time. Additionally, Parker refused to give them a written statement of the amount owed to redeem the vehicle, and he said that he would not give them a receipt if they paid, stating that return of the automobile title would have to serve as their receipt.

b. The Original Respondents also regularly engaged, directly or indirectly, in lending activities with Maryland consumers even after the Commissioner had issued and served the Original Summary Order. Thus, Respondent Parker formed Advanced EZ Cash on or about February 4, 2015 with his girlfriend or wife, Respondent Vick, and with James Suddith, and began operating it as a surrogate for, and continuation of, Roadrunner. Parker operated Advanced EZ Cash from the same business location as Roadrunner, using the same phone number, transferred all of Roadrunner's assets to Advanced EZ Cash, and engaged in the identical title lending business activities with Maryland consumers through Advanced EZ Cash as he had through Roadrunner. Moreover, Respondent Parker was the managing member of both Advanced EZ Cash and Roadrunner. As such, Respondent Parker regularly engaged in lending activities in Maryland even after he was ordered to cease doing so in the Original Summary Order.

32. With regard to Respondents' business activities related to Advanced EZ Cash, the Agency's investigation also demonstrated the following:

a. Respondents Parker and Vick started Advanced EZ Cash as an attempt to evade the Commissioner's Original Summary Order, which prohibited the Original Respondents from, among other things, engaging in lending activities and from collecting on any prior loans. However, Advanced EZ Cash is simply a continuation or reincarnation of Roadrunner. Both entities have common owners and managers, as Respondent Parker is the managing member of both Roadrunner and Advanced EZ Cash, and he is an owner of both entities. Further, the owners, managers, and employees of Roadrunner continued to engage in the same lending and collections activities using the name Advanced EZ Cash from the same location in Hagerstown, Maryland at which Roadrunner had operated, and utilized the same phone number as Roadrunner. Respondents' business practices were the same under both entities, both entities shared the same assets, and, except for the lender's name, the template loan contracts utilized by Roadrunner and Advanced EZ Cash were identical. Also, when attempting to collect on previous loans made to Maryland consumers, the Respondents and their employees sometimes used the names Roadrunner and Advanced EZ Cash interchangeably, and at other times indicated that Roadrunner had assigned its loans to Advanced EZ Cash.

b. Based on Respondents' representations to Maryland consumers, all of the open Roadrunner loan accounts were assigned by Respondents to Advanced EZ Cash sometime between February and April 2015. Respondents knowingly and repeatedly collected or attempted to collect upon these assigned consumer loans, and repossessed motor vehicles secured by these loans, such as occurred with Consumer D, despite the existence of the Commissioner's Original Summary Order prohibiting collections or repossessions related to these loans, and despite Respondents' knowledge

that the loans were illegal and unenforceable under the MCLL as described in the Original Summary Order.

c. Respondents also perfected their security interest in numerous motor vehicles securing the assigned Roadrunner Loans by filing liens with the MVA, primarily in the name of Advanced EZ Cash. Thus, for example, the Roadrunner Loans to [REDACTED] (Consumer E), [REDACTED] (Consumer F), and [REDACTED] (Consumer G), were among the numerous loan accounts assigned by Respondents to Advanced EZ Cash during the first half of 2015. Following the assignment of these loan accounts, Respondents filed liens with the MVA in the name of Advanced EZ Cash against the motor vehicles securing these loans. Presently, Roadrunner is listed as the lienholder on 3 vehicles with the MVA, Advanced EZ Cash is listed as the lienholder on 121 vehicles, and Margaret Vick is listed as the lienholder on 2 vehicles.

d. Additionally, the Respondents have engaged in consumer lending with Maryland consumers through Advanced EZ Cash since February 2015. However, Advanced EZ Cash was not licensed to engage in consumer lending in Maryland until August 20, 2015, at which time Advanced EZ Cash was issued a Maryland Consumer lender license by the Commissioner.

e. For example, in September 2015, the Agency received a complaint related to an "auto title loan" that the Respondents had entered into with Maryland resident [REDACTED] (Consumer H) on or about July 10, 2015 – prior to the date that Advanced EZ Cash became licensed as a consumer lender. The loan document was titled as "Title Agreement," and the "Creditor/Lender" is listed on the agreement as "Advanced EZ Cash LLC."

f. Pursuant to their agreement with Consumer H, dated July 10, 2015, Respondents provided a \$1,500 loan to Consumer H, in exchange for which she was required to repay the full amount of the loan plus a finance charge of \$515.00 within 30 days, with a single lump sum payment of \$2,015.00 due by August 9, 2015. This constitutes an annual interest rate, as well as an annual percentage rate, of 417.72%. Further, the loan was secured by Consumer H's automobile, a 2000 white motor vehicle, license number [REDACTED] (with the make and model being absent from the loan documents).

g. Respondents repossessed Consumer H's motor vehicle on August 12, 2015, but did not provide Consumer H the discretionary notice set forth in CL § 12-115(c), and never provided Consumer H the required notice after repossession pursuant to CL § 12-115(e). When Consumer H attempted to get her vehicle back, she was told to bring \$3,000 to the Respondents' business office in cash to redeem her vehicle – despite the written agreement only requiring payment of \$2,015. On August 21, 2015, Consumer H went to the Respondents' business office and paid \$2,000 in cash, which was accepted by the employee of Roadrunner, and she was able to take possession of (*i.e.*, “redeem”) her automobile, although they refused to give her a receipt.

h. Respondents repossessed Consumer H's vehicle again on September 23, 2015. Respondent Parker told Consumer H that the employee to whom Consumer H had made her previous \$2,000 cash payment had stolen the money, and that Consumer H needed to pay \$2,800 within 10 days to redeem her vehicle “or they own it.” Respondents subsequently refused to return both the automobile and Consumer H's personal property that had been in the vehicle at the time of repossession, including her

rent money, purse, and medication. Just as with the first time they repossessed Consumer H's vehicle, Respondents again did not provide Consumer H the discretionary notice set forth in CL § 12-115(c), and never provided Consumer H the required notice after repossession pursuant to CL § 12-115(e).

i. Respondents made multiple other title loans to Maryland consumers through Advanced EZ Cash (the "Advanced EZ Cash Loans"), involving terms similar to the loan made to Consumer H and to the Roadrunner Loans. Each of the Advanced EZ Cash Loans was secured by the consumer's motor vehicle or other titled personal property, and involved a very high, usurious rate of interest.

j. Additionally, Respondents' written agreements through Advanced EZ Cash represented that the Respondents could repossess, charge fees, and sell secured motor vehicles and other personal property without providing the required disclosures, notices, or otherwise adhering to the requirements set forth in CL § 12-115. Such provisions occurred with every loan that Respondents entered into with Maryland consumers through Advanced EZ Cash. Further, Respondents regularly charged repossession and storage costs without having served the discretionary notice set forth in CL § 12-115(c), they failed to give consumers the required *notice after repossession* required under CL § 12-115(e), and for all motor vehicles or other personal property sold by Respondents after taking possession, or which they titled in their own name, they failed to retain the property for the requisite period required under CL § 12-115(f).

33. The Agency's investigation determined that the business activities of Respondents are subject to the MCLL, I&U, and the MCDCA. Respondents' transactions with Maryland consumers constituted "loans" under CL § 12-301(e) of the

MCLL, as well as “consumer transactions” under CL § 14-201(c) of the MCDCA. As such, Respondents are considered “lenders” under CL § 12-301(c) of the MCLL, and “collectors” under CL § 14-201(b) of the MCDCA. Thus, Respondents and their “Title Agreements” are subject to the MCLL and related provisions of I&U and the MCDCA, all of which the Commissioner is charged with enforcing.

34. As evident from the foregoing facts, the Agency’s investigation demonstrated that Respondents have knowingly and repeatedly engaged in dishonest and illegal lending and collections activities in the State of Maryland, in violation of the MCLL, I&U, the MCDCA, and the Commissioner’s Original Summary Order. Further, the Agency’s investigation demonstrated that the Respondents regularly engaged in dishonest and illegal activities related to the repossession, redemption, and sales of motor vehicles securing those loans made to Maryland consumers through both Roadrunner and Advanced EZ Cash, in violation of the MCLL and I&U. As such, the following charges are warranted:

CHARGES

Violations of the Maryland Consumer Loan Law (MCLL) and the Interest and Usury Law (I&U)

Count 1: Engaged in unlicensed lending activity

35. Roadrunner has never been licensed to make consumer loans, nor is it exempt from licensing under the MCLL. As such, Respondents Parker, Vick, and Roadrunner violated the licensing provisions of the MCLL cited above, including FI § 11-204 and CL § 12-302, for each of the 284 loans that they made to Maryland consumers, listed at Attachment 1, as well as for every other loan made through

Roadrunner that is not listed at Attachment 1. Further, Advanced EZ Cash was not licensed to make consumer loans until August 20, 2015, and thus the individual Respondents and Advanced EZ Cash violated the MCLL for every loan made to Maryland consumers through Advanced EZ Cash prior to August 20, 2015, including but not limited to the loan made to Consumer H on July 10, 2015.

Count 2: Made usurious loans

36. All of the loans that Respondents made to Maryland consumers involved usurious rates of interest, far in excess of the 24% or 33% annual interest rates permitted for these transactions under CL § 12-306(a)(6). As such, Respondents violated numerous provisions of the MCLL, including, but not limited to, CL §§ 12-306(a)(6), 12-313(a)(1), and 12-314(a), for every loan that Respondents made to Maryland consumers, including each of the 284 loans listed at Attachment 1, every other loan made through Roadrunner that is not listed at Attachment 1, and every loan made through Advanced EZ Cash, including but not limited to the loan made to Consumer H.

Count 3: Took security interest in personal property for loans less than \$700 in value

37. Respondents took a security interest in a motor vehicle or other titled personal property for every loan that they made to Maryland consumers, including hundreds of individual loans where the value of the loan was less than \$700.00, such as the loans that Respondents made to Consumer B. As such, Respondents violated CL § 12-311(c)(1), which prohibits lenders from taking security interests in personal property for loans less than \$700, in every instance where they made a loan to Maryland consumers in an amount less than \$700, including 206 of the loans listed at Attachment 1,

as well as every other loan made through Roadrunner or Advanced EZ Cash in which the amount was less than \$700 and secured by personal property.

Count 4: Printed false and deceptive statements regarding the annual interest rates of the loans

38. The incorrect interest rates that Respondents printed on their Title Agreements constituted false and deceptive statements regarding the rates of their loans, in violation of CL § 12-304(a) of the MCLL. For example, on each of the Title Agreements that Respondents entered into with Consumers A and B, Respondents stated that the annual percentage rate was 486.55%. However, in reality the annual percentage rates for each of the loans varied between 514.42% and 598.07%. Respondents engaged in such false and deceptive practices, whereby they understated the actual interest rate of their loans, with the vast majority of loans that they entered into with Maryland consumers. Thus Respondents understated the annual percentage rate ("APR"), in violation of CL § 12-304(a), on 261 of the 284 loans listed at Attachment 1. Further, by failing to provide the correct interest rates on the loans, Respondents failed to comply with the requirements of CL § 12-106(b)(1)(ii), or alternatively failed to comply with CL § 12-106(b)(3) and (b)(4), and thereby violated CL § 12-308(a)(1)(ii) of the MCLL, in each instance where they understated the APR.

Count 5: Sold loan accounts to a person that was not licensed under the MCLL

39. By assigning or selling the consumer loan accounts made through Roadrunner to Advanced EZ Cash in the first part of 2015, at a time when Advanced EZ Cash was not licensed as a consumer lender, Respondents effectively sold the loans to a person who was not licensed under the MCLL. Thus, Respondents violated FI § 11-

219(a) for each one of the hundreds of consumer loan accounts assigned or sold by/from Roadrunner to Advanced EZ Cash prior to August 20, 2015.

Count 6: Engaged in repossession activities prohibited under Maryland law

40. All of the loans that Respondents made to Maryland consumers far exceeded the maximum allowable interest rates set forth in the MCLL or in I&U. Pursuant to CL § 12-115(a) of I&U, which the MCLL incorporates by reference through CL § 12-306(a)(7)(iii), a consumer lender is only permitted to repossess goods securing a loan if the lender, among other things, complies with the statutory rates of interest set forth in CL § 12-306 of the MCLL or CL § 12-103(a) and (c) of I&U. Since Respondents' consumer loans far exceeded the interest rate caps set forth in those statutes, Respondents were prohibited from repossessing any goods securing loans to Maryland consumers. Nonetheless, Respondents repossessed numerous motor vehicles and other personal property securing the loans that they had entered into with Maryland consumers, such as repossessing the vehicles of Consumers A, D, and H, described above. Therefore, Respondents violated CL § 12-115(a) and CL § 12-306(a)(7)(iii) in every instance where they foreclosed upon, took possession of, or otherwise repossessed, a vehicle or other personal property securing a loan made to Maryland consumers.

Count 7: Failed to comply with other statutory requirements concerning repossession, sales, or redemption of the goods securing a loan

41. Respondents' written agreements represented that the Respondents could repossess, charge fees, and sell secured motor vehicles and other personal property without providing the required disclosures, notices, or otherwise adhering to the requirements set forth in CL § 12-115, which the MCLL incorporates by reference

through CL § 12-306(a)(7)(iii). Such non-compliant provisions occurred with every loan that Respondents entered into with Maryland consumers, including each of the 284 loans listed at Attachment 1, every other loan made through Roadrunner that is not listed at Attachment 1, and every loan made through Advanced EZ Cash, including but not limited to the loan made to Consumer H. Moreover, in practice, the Respondents failed to comply with the statutory requirements set forth in CL § 12-115, thereby violating various provisions of CL § 12-115 as well as CL § 12-306(a)(7)(iii). Such violations include the following:

a. In numerous instances where Respondents repossessed a consumer's motor vehicle or other personal property, Respondents charged repossession and storage costs without having served the discretionary notice set forth in CL § 12-115(c), such as occurred with consumers A, D, and H. Respondents thereby violated both CL § 12-115(g) of I&U and CL § 12-306(a)(7)(iii) of the MCLL in each instance where such unauthorized fees were charged.

b. In every instance where Respondents repossessed a consumer's motor vehicle or other personal property, such as occurred with consumers A, D, and H, Respondents failed to give consumers the required *notice after repossession* required under CL § 12-115(e). Respondents thereby violated both CL § 12-115(e) of I&U and CL § 12-306(a)(7)(iii) of the MCLL each time that they repossessed a consumer's motor vehicle or other personal property.

c. In every instance where Respondents sold a motor vehicle or other personal property securing a loan, and in every instance where Respondents titled motor vehicles or other personal property in their own name, Respondents failed to retain the

property for the requisite period required under CL § 12-115(f) – namely for 15 days after the required notice was given under CL § 12-115(e). As such, Respondents violated both CL § 12-115(f) of I&U and CL § 12-306(a)(7)(iii) of the MCLL each time that they sold a motor vehicle or other personal property securing a loan, and each time that they titled a motor vehicle or other personal property in their own name.

Violations of the Maryland Consumer Debt Collection Act (MCDCA)

Count 8: Knowingly and repeatedly claimed, attempted, or threatened to enforce a right with knowledge that the right does not exist

42. The Commissioner's Original Summary Order put Respondents on notice that all of their title loans were subject to the MCLL, and that their loans were illegal and unenforceable pursuant to the terms of the MCLL. The Original Summary Order directed the Respondents to stop collecting on any prior loans made to Maryland consumers, and not to make any new loans. However, even after receiving the Original Summary Order, the Respondents knowingly and repeatedly attempted to collect on illegal consumer loans or on loans containing usurious rates of interest. Every such collection effort constitutes a separate violation of the MCDCA, as follows:

a. After service of the Original Summary Order on November 18, 2014, the Respondents collected or attempted to collect on numerous loans made through Roadrunner, including by making telephone calls, repossessing or otherwise taking possession of motor vehicle or other personal property securing such loans, and/or filing liens with the MVA on motor vehicles securing such loans. Respondents thereby violated CL § 14-202(8) of the MCDCA each time that they collected or attempted to collect on any of these loans after November 18, 2014, including but not limited to

Respondents' collection efforts related to Consumers C, D, E, F, and G, as Respondents were claiming, attempting, or threatening to enforce a right with knowledge that the right does not exist.

b. For all loans made through Advanced EZ Cash prior to August 20, 2015, the Respondents collected or attempted to collect on numerous such loans, including by making telephone calls, repossessing or otherwise taking possession of motor vehicle or other personal property securing such loans, and/or filing liens with the MVA on motor vehicles securing such loans. Respondents thereby violated CL § 14-202(8) of the MCDCA each time that they collected or attempted to collect on any such loans, including but not limited to Respondents' collection efforts related to Consumer H, as Respondents were claiming, attempting, or threatening to enforce a right with knowledge that the right does not exist.

c. For all loans made through Advanced EZ Cash from August 20, 2015 until the date of this Amended Summary Order, Respondents collected or attempted to collect interest from Maryland consumers above the statutory interest rate cap set forth in the MCLL. Additionally, in a number of instances, Respondents repossessed or otherwise took possession of motor vehicle or other personal property securing these loans. Every such collection effort by Respondents thereby violated CL § 14-202(8) of the MCDCA, as Respondents were claiming, attempting, or threatening to enforce a right with knowledge that the right does not exist.

Violations of the Commissioner's Original Summary Order

Count 9: Collected on consumer loans

43. The Commissioner's Original Summary Order prohibited Respondents Roadrunner and Parker from collecting on any loans previously made to Maryland consumers. However, the Original Respondents knowingly and repeatedly continued to collect on these loans even after the Original Summary Order was served on Respondents on November 18, 2014, thereby violating an Order of the Commissioner in each of these numerous instances where they collected or attempted to collect on any of these previous consumer loans. Parker violated this Order of the Commissioner in every instance where he collected or attempted to collect on these loans individually after November 18, 2014, and, as the managing member of both Roadrunner and Advanced EZ Cash, he also violated this Order in every instance where Roadrunner or Advanced EZ Cash engaged in activities to collect on these loans after November 18, 2014. Further, as Advanced EZ Cash is a continuation of Roadrunner, Respondent Roadrunner violated this Order of the Commissioner in every instance where Roadrunner or Advanced EZ Cash engaged in activities to collect on these loans after November 18, 2014. These violations by Parker and Roadrunner include, but are not limited, their collection activities with regard to Consumers C and D.

Count 10: Made new loans to Maryland consumers

44. The Commissioner's Original Summary Order prohibited Respondents Roadrunner and Parker from engaging in any lending activities with Maryland consumers. However, Parker, through both Roadrunner and Advanced EZ Cash as both

business entities' managing member, made multiple loans to Maryland consumers in violation of the Commissioner's Original Summary Order. Thus Parker violated an Order of the Commissioner in every instance where Roadrunner or Advanced EZ Cash made loans to Maryland consumers after November 18, 2014 and prior to August 20, 2015, including but not limited to the loan made to Consumer H. Further, as Advanced EZ Cash is a continuation of Roadrunner, Roadrunner violated the Commissioner's Original Summary Order in every instance where Roadrunner or Advanced EZ Cash made a loan to a Maryland consumer after November 18, 2014 and prior to August 20, 2015, including but not limited to the loan made to Consumer H.

LIABILITY

45. Each of the hundreds of violations of Counts 1-8 above subjects all Respondents to the penalty provisions and other sanctions of the MCLL as to each violation, and to all other enforcement powers of the Commissioner, including but not limited to the Commissioner's authority to issue orders and sanctions under FI § 2-115(b). This includes all violations of Counts 1-8 flowing from, or related to, loans made to Maryland consumers through Roadrunner or Advanced EZ Cash. The Respondents are jointly and severally liable for any monetary penalty, restitution order, or other sanction entered as to these counts, and the consumer lender license of Advanced EZ Cash is subject to suspension or revocation based on such violations. Each violation of Counts 9 and 10 above also subjects Respondents Roadrunner and Parker to the penalty provisions and other sanctions of the MCLL as to each violation, and to all other enforcement powers of the Commissioner, including but not limited to the Commissioner's authority to issue orders and sanctions under FI § 2-115(b).

Respondents Roadrunner and Parker are jointly and severally liable for any monetary penalty or other sanction entered as to these counts.

46. Additionally, Advanced EZ Cash is subject to having its consumer lending license suspended or revoked pursuant to FI § 11-216(a), based on the numerous violations of the MCLL discussed herein, as well as for knowingly and repeatedly violating the MCDCA, as discussed in paragraph 42(a),(b), and (c), above.

47. Based on the foregoing, it has been determined that Respondents have repeatedly engaged in predatory lending, collections, and repossession activities in the State of Maryland, in violation of multiple provisions of the MCLL, I&U, and the MCDCA, all to the detriment of Maryland consumers.

WHEREFORE, having determined that immediate action is in the public interest, and pursuant to the aforementioned provisions of the Annotated Code of Maryland, it is, by the Commissioner of Financial Regulation, **HEREBY**

ORDERED that the Maryland consumer lender license (Consumer Loan License No. 1521) of Advanced EZ Cash is **SUMMARILY SUSPENDED**, effective immediately; it is further

ORDERED that all Respondents shall immediately **CEASE AND DESIST** from engaging, directly or indirectly, in the business of making title loans or other consumer loans to Maryland residents or to any other consumers in the State of Maryland (collectively, "Maryland consumers"), and from otherwise engaging in lending activities in the State of Maryland; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from collecting on, and from receiving any money or other valuable consideration related to, any loans previously made to Maryland consumers, or related to any motor vehicles or other personal property securing any such loans; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from taking possession of, towing, repossessing, or otherwise foreclosing upon, (collectively, "repossessing"), any motor vehicles or other personal property securing any loans previously made to Maryland consumers; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from filing any liens with the MVA or any other governmental agency on any motor vehicles or other personal property securing any loans previously made to Maryland consumers, and from otherwise perfecting any security interest as to such loans; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from titling any motor automobiles or other personal property securing any loans previously made to Maryland consumers in their own name or in the name of any other person; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from selling, transferring, or otherwise assigning any loans previously made to Maryland consumers to any person, and from selling, transferring, or otherwise assigning any motor vehicles or other personal property securing any such loans; and it is further

ORDERED that all Respondents shall immediately CEASE AND DESIST from retaining any motor vehicles securing any loans previously made to Maryland consumers; and it is further

ORDERED that all Respondents must immediately release to Maryland consumers, at no cost to those consumers, all motor vehicles (and all vehicle contents at the time of repossession) that are in the actual or constructive possession of the Respondents, their employees, their relatives, their agents, such as third-party towing companies, or any other person; and it is further

ORDERED that Respondents shall immediately CEASE AND DESIST from violating the aforementioned statutory provisions of Maryland law, including the MCLL, I&U, and the MCDCA, and that Respondents should be assessed statutory monetary penalties and ordered to provide restitution for all such violations, in addition to any other sanctions or actions against Respondents permitted by law; and it is further

ORDERED that Respondents shall provide to the Office of the Commissioner of Financial Regulation each of the following within 30 days of the date of this Amended Summary Order:

- a. A list of all title loans or other consumer loans (collectively, "consumer loans") made by Advanced EZ Cash, and all consumer loans made by Roadrunner and which are not listed in Attachment 1 to this Amended Summary Order, to any Maryland consumers from January 1, 2014 to the present, providing the following for each loan: the name of the lender; the name of the consumer borrower; the date of the loan; the amount of the loan; the stated APR; the year, make, and model of the motor vehicle or description of other personal property securing the loan; the total amount of all payments made by the consumer in any way related to the loan; the current status of the loan; whether Respondents filed a lien with the MVA, and if so, the date that the lien was filed and the name of the lienholder; whether the Respondents, directly or indirectly, ever took possession of the motor vehicle or other personal property securing the

- loan (through repossession, surrender by the consumer to the Respondents, or through any other means) and if so, the dates of each time that the Respondents took possession, the dates of redemption by consumers (if any) and the amounts paid; the dates and amounts of any sales of the personal property by Respondents; and the current status of the personal property, including whether it is currently in Respondents' actual or constructive possession;
- b. For all consumer loans responsive to paragraph a, above, provide copies of all agreements and all other documents pertaining to those loans;
 - c. For each of the loans listed in Attachment 1 to this Amended Summary Order, provide all of the following information: the total amount of all payments made by the consumer in any way related to the loan; the current status of the loan; whether Respondents filed a lien with the MVA, and if so, the date that the lien was filed and the name of the lienholder; whether the Respondents, directly or indirectly, ever took possession of the motor vehicle or other personal property securing the loan (through repossession, surrender by the consumer to the Respondents, or through any other means) and if so, the dates of each time that the Respondents took possession, the dates of redemption by consumers (if any) and the amounts paid; the dates and amounts of any sales of the personal property by Respondents; and the current status of the personal property, including whether it is currently in Respondents' actual or constructive possession;
 - d. Information detailing all loan accounts that were transferred, assigned, or sold from Roadrunner to Advanced EZ Cash, including the names of consumers, the dates, amounts, and interest rates of the consumer loans, and the date of their transfer, assignment, or sale from Roadrunner to Advanced EZ Cash;
 - e. Copies of all agreements and other documents pertaining to the transfer, assignment, or sale of loan accounts and other assets from Roadrunner to Advanced EZ Cash;
 - f. Copies of each and every discretionary notice prior to repossession sent to consumers pursuant to CL § 12-115(c); for each such notice, provide the name and address to where the notice was mailed or served, the date the notice was served, and proof of service upon the consumer;
 - g. Copies of each and every required notice after repossession sent to consumers pursuant to CL § 12-115(e); for each such notice, provide the name and address to where the notice was mailed or served, the date the notice was served, and proof of service upon the consumer; and
 - h. Documents detailing financial asset information for Respondents Roadrunner, Advanced EZ Cash, Parker, and Vick, for the period from January 1, 2013 through the present, including audited financial statements, unaudited financial statements, tax returns, and like documents.

And it is further

ORDERED that failure to provide the information and documents set forth above, by the dates specified, will result in negative inferences being drawn against Respondents, including but not limited to the following: that all of Respondents' title loans to Maryland consumers are subject to the MCLL and I&U; that the Respondents never sent any Maryland consumers a discretionary notice prior to repossession pursuant to CL § 12-115(c) or a required notice after repossession pursuant to CL § 12-115(e); that Respondents charged impermissible towing and storage fees to all Maryland consumers whose motor vehicles they repossessed; that Advanced EZ Cash is a continuation of the corporate entity Roadrunner and is therefore responsible for the debts and liabilities of Roadrunner; that all of Respondents' collections and repossession activities in Maryland are subject to the MCLL, I&U, and the MCDCA; that the individual Respondents directed or controlled all of the activities of the Respondent business entities, and thus all Respondents should be held jointly and severally liable for any violations; that all lending and debt collection activities of the Respondents were knowing and willful; that the Respondents have acted in bad faith, both in their interactions with Maryland consumers and in their conduct towards the Agency; and that the financial assets of Respondents will not be considered as a mitigating factor in assessing any penalties or restitution; and it is further

ORDERED that the failure to provide the information and documents set forth above, by the dates specified, will constitute a violation of an order of the Agency and subject the Respondents to a monetary penalty and other sanctions under FI § 2-115(b); and it is further

ORDERED that this Amended Summary Order supplements and fully supersedes the Summary Order to Cease and Desist issued against Respondents Roadrunner and Parker on November 17, 2014; and it is further

ORDERED that all provisions of this Amended Summary Order, including all orders and notices set forth herein, shall also apply to all unnamed partners, employees, and/or agents of Respondents Roadrunner and Advanced EZ Cash; and it is further

ORDERED that individual Respondents Parker and Vick shall provide a copy of this Amended Summary Order to all unnamed owners, members, partners, directors, managers, officers, employees, and/or agents of Respondents Roadrunner and Advanced EZ Cash.

FURTHERMORE,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to FI §§ 2-115(a) and 11-215(b), Respondents are entitled to a hearing before the Commissioner to determine whether this Amended Summary Order should be vacated, modified, or entered as a final order of the Commissioner; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to Code of Maryland Regulations (“COMAR”) § 09.01.02.08, and SG §§ 9-1607.1, 10-206.1, and 10-207, and in accordance with SG § 10-207(b)(4), individual Respondents are only permitted to request a hearing, and to appear at such hearing, on behalf of themselves, or through an attorney authorized to practice law in Maryland at Respondents’ own expense; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to SG §§ 9-1607.1 and 10-206.1, and in accordance with SG § 10-207(b)(4), business entities are only permitted to request a hearing, and to appear at such hearing, through an attorney authorized to practice law in Maryland at Respondents' own expense; and further,

RESPONDENTS ARE HEREBY NOTIFIED that the Commissioner has delegated this action to the Office of Administrative Hearings ("OAH") for a hearing, that this matter has been assigned OAH Case No. DLR-CFR-76A-15-18512, and that OAH has scheduled the hearing in this matter to take place at OAH in Hunt Valley, Maryland on January 14-15, 2016; and further

RESPONDENTS ARE HEREBY NOTIFIED that any requests, filings, or other correspondences related to the hearing in this matter must be made in writing, must reference the OAH Case Number indicated above, and must be submitted to OAH at the following address (with a copy mailed to the Agency):

Office of Administrative Hearings
11101 Gilroy Road
Hunt Valley, Maryland 21031

And further,

RESPONDENTS ARE HEREBY NOTIFIED that any communications to the Agency, including all matters related to the Order to Produce above, and copies of all correspondences submitted to OAH, must be submitted to the following address:

Administrator
Enforcement Unit
Office of the Commissioner of Financial Regulation
500 North Calvert Street, Suite 402
Baltimore, Maryland 21202;

And further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to FI § 2-115(b), as a result of a hearing, the Commissioner may, in the Commissioner's discretion and in addition to taking any other action authorized by law, enter an Order making this Cease and Desist Order final, suspend or revoke the consumer lender license of Advanced EZ Cash, issue a penalty order against Respondent imposing a civil penalty up to \$1,000 for the first of each violation of Counts 1-10 cited above, up to \$5,000 for each subsequent violation, or may take any combination of the aforementioned actions against Respondents (with potential penalties against Respondents in this action totaling MILLIONS OF DOLLARS); and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to CL § 12-314(b), as a result of a hearing, the Commissioner may also enter a final order declaring the following as to each of the Respondents' Unlicensed Loans: that all title agreements and other consumer loans (collectively "consumer loans") made by Respondents to Maryland consumers are illegal and unenforceable; that all security interests on motor vehicles and other personal property securing such consumer loans, and all liens filed by Respondents with the MVA or any other governmental agency, are illegal and void; that Respondent may not receive or retain any principal, interest, fees, including repossession or storage fees, or any other compensation with respect to these consumer loans; that Respondents must provide full restitution to all Maryland consumers of all money collected or received pursuant to these consumer loans, whether as a result of payment on the loans, payments related to redemption of motor vehicles or other personal property securing the loans, and/or payment of any other fees, and must provide full restitution to all Maryland consumers for all personal property located in vehicles at the time of repossession by the

Respondents and which items were not returned to the consumers, and must provide full restitution to Maryland consumers for any motor vehicles, related to the consumer loans, titled in the name of any Respondents or assigned or sold by Respondents to any other person (with all potential restitution in this action totaling HUNDREDS OF THOUSANDS OF DOLLARS); that Respondents may not repossess any motor vehicles or other personal property securing consumer loans made in the State of Maryland; that Respondents must return all motor vehicles and other personal property repossessed by the Respondents or otherwise in Respondents' actual or constructive possession, without charge to the consumers; that Respondents must return all certificates of title taken as collateral for any of its consumer loans, and must mark any evidence of obligation as "canceled" and return such with the certificates of title, without charge to the consumers; that Respondents must return all keys for motor vehicles and other personal property securing loans to Maryland consumers, without charge to the consumers; that Respondents may not assign or sell any motor vehicles or other personal property securing consumer loans, and may not title any motor vehicles in any of Respondents' own names or in the name of any other person; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to CL § 12-313(b)(1), as a result of a hearing, the Commissioner may also enter a final order declaring the following as to each of the Advanced EZ Cash loans made between August 20, 2015 and the date of this Amended Summary Order: that Respondents willfully violated the interest rate caps set forth in the MCLL; and thus Respondents are prohibited from collecting, receiving, or retaining any interest or other compensation related to these loans; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to CL § 12-311(c), as a result of a hearing, the Commissioner may also enter an order declaring the following as to all of Respondents' loans to Maryland consumers under \$700 in value or amount: that all security interests on motor vehicles and other personal property securing such consumer loans, and all liens filed by Respondents with the MVA or any other governmental agency, are illegal and void; that Respondents must provide full restitution to all Maryland consumers of all money collected or received for repossession or storage of the secured motor vehicles or other personal property; that Respondents must provide full restitution to all Maryland consumers for all personal property located in vehicles at the time of repossession by the Respondents and which items were not returned to the consumers; that Respondents must provide full restitution to Maryland consumers for any motor vehicles, related to the consumer loans, titled in the name of any Respondents or assigned or sold by Respondents to any other person; that Respondents may not repossess any motor vehicles or other personal property securing consumer loans made in the State of Maryland; that Respondents must return all motor vehicles and other personal property repossessed by the Respondents or otherwise in Respondents' actual or constructive possession, without charge to the consumers; that Respondents must return all certificates of title taken as collateral for any of its consumer loans, without charge to the consumers; that Respondents must return all keys for motor vehicles and other personal property securing loans to Maryland consumers, without charge to the consumers; and that Respondents may not assign or sell any motor vehicles or other personal property securing consumer loans, and may not title any such motor vehicles in any of Respondents' own names or in the name of any other person; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to CL § 12-115(a) and CL § 12-306(a)(7)(iii), as a result of a hearing, the Commissioner may also enter an order declaring the following: that all of Respondents' loans to Maryland consumers contained rates of interest that far exceeded the interest rate caps set forth in the MCLL and I&U, and were thus usurious; that Respondents are thereby prohibited from foreclosing upon, taking possession of, or otherwise repossessing (collectively "repossessing") any motor vehicles or other personal property securing these loans; that Respondents must provide full restitution to all Maryland consumers of all money collected or received for repossession or storage of the secured motor vehicles or other personal property; that Respondents must provide full restitution to all Maryland consumers for all personal property located in vehicles at the time of repossession by the Respondents and which items were not returned to the consumers; that Respondents must return all motor vehicles and other personal property repossessed by the Respondents or otherwise in Respondents' actual or constructive possession, without charge, to the consumers; that Respondents must return all keys for motor vehicles and other personal property securing loans to Maryland consumers, without charge to the consumers; and that Respondents may not assign or sell any motor vehicles or other personal property securing consumer loans in Respondents' actual or constructive possession; and further,

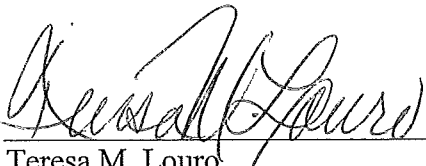
RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to FI § 11-216(a), as a result of a hearing, the Commissioner may also enter an order permanently suspending or revoking the Maryland consumer lender license (Consumer Loan License No. 1521) of Advanced EZ Cash based on Respondents' numerous violations of the

MCLL, and based on Respondents knowingly and repeatedly violating the MCDCA; and further,

RESPONDENTS ARE HEREBY NOTIFIED that, pursuant to FI § 11-220, the Commissioner is required to report the foregoing alleged criminal violations of the MCLL to the appropriate State's Attorney for possible criminal prosecution under FI § 11-222 and CL § 12-316.

MARYLAND COMMISSIONER OF
FINANCIAL REGULATION

12/4/15
Date

By: 
Teresa M. Louro
Acting Deputy Commissioner

Attachment 1

Redacted in Full