

Sharon M. Williams, Assistant Counsel
Commonwealth of Pennsylvania
Pennsylvania Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101

Once you file your petition appealing the Order and requesting a hearing, you will be notified of the hearing date, time, place, the person who will preside at your hearing, and any other pertinent information.

You have the right to be represented by an attorney. Corporations may be required to be represented by an attorney.

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§31.1.-35.251.

BACKGROUND

WHEREAS, Pack Management Group, LLC (“Pack Management”) is a Nevada corporation; and

WHEREAS, Pack Management has no recorded physical address or location; and

WHEREAS, the only address available for Pack Management is that its registered agent, Laughlin Associates, Inc., located at 2533 N Carson Street, Suite 4074, Carson City, NV 89706-0242; and

WHEREAS, Pack Management services, collects and processes payday loans for Pennsylvania residents; and

WHEREAS, Pack Management solicits and holds itself out as willing or able to arrange for or negotiate loans through websites such as www.uniloanonline.com/PACK-MANAGEMENT-GROUP-LCC and www.cashloanless1hour.com; and

WHEREAS, Pennsylvania residents apply for a payday loan on the websites and their information is forwarded to Pack Management to approve the loan; and

WHEREAS, once it approves the loan, Pack Management transmits monies into the Pennsylvania residents’ bank accounts; and

WHEREAS, Pennsylvania residents pay off the payday loans, plus interest, fees and other considerations, by allowing Pack Management and the lenders to debit the money from their bank accounts; and

CONSUMER COMPLAINTS

WHEREAS, on or around February 24, 2011, the Department received a complaint from (“Consumer A”) regarding Pack Management; and

WHEREAS, Consumer A resides at Philadelphia, PA ;

and

WHEREAS, Consumer A received a payday loan from Pack Management on or about November 12, 2010; and

WHEREAS, Consumer A's loan amount was \$200 and the annual percentage rate was 782.14%; and

WHEREAS, Consumer A is a Pennsylvania resident that obtained a loan from Pack Management in an amount less than \$25,000 and the fees on the loan exceeded 6% simple interest per annum; and

WHEREAS, on or about December 7, 2011, the Department received a complaint from ("Consumer B") regarding Pack Management; and

WHEREAS, Consumer B resides at Pittsburgh, PA ; and

WHEREAS, Consumer B received a payday loan from Pack Management on or about November 25, 2011; and

WHEREAS, Consumer B's loan amount was \$250 and the annual percentage rate charged on the loan was 730%; and

WHEREAS, Consumer B is a Pennsylvania resident that obtained a loan from Pack Management in an amount less than \$25,000 and the fees on the loan exceeded 6% simple interest per annum; and

WHEREAS, Pack Management is not currently licensed by, nor has it ever been licensed by, the Department as a consumer discount company; and

VIOLATIONS

WHEREAS, by engaging in the business of making and attempting to and collecting on loans made to Pennsylvania residents of less than \$25,000 and charging fees, interest, or other considerations in excess of 6% simple interest per annum, without being licensed by the

Department, Pack Management violated Section 3.A of the CDCA, 7 P.S. § 6203.A, and Section 201(a) of the LIPL, 41 P.S. § 201(a); and

WHEREAS, by soliciting and holding itself out as willing or able to arrange for or negotiate loans through the websites to Pennsylvania residents in amounts of less than \$25,000 where the interest, fees, charges, or other considerations exceed 6% simple interest per annum, without being licensed by the Department, Pack Management violated Section 3.B of the CDCA, 7 P.S. § 6203.B, and Section 201(a) of the LIPA, 41 P.S. § 201(a); and

DEPARTMENT'S AUTHORITY

WHEREAS, because Pack Management engaged in unlicensed activity in violation of the CDCA and LIPL, the Department has the authority to, *inter alia*, order it to cease and desist the activity until licensed, require it to pay the costs of the Department's enforcement action, prohibit or permanently remove it from continuing the activity, and to impose such other conditions as the Department deems appropriate, *See* 41 P.S. §§ 506(c)(2)-(5); and

AND NOW THEREFORE, because Pack Management is engaged in the business of lending money in an amount less than \$25,000 to Pennsylvania residents and charging in excess of 6% simple interest per annum for the loan, without a license, and solicited such loans to Pennsylvania residents through websites and attempted to collect and collected on such loans, the Bureau, under the authority cited above, hereby imposes the following Order. Upon the effective date of this Order:

1. Pack Management shall immediately cease and desist from negotiating and making non-mortgage loans or advances of money on credit in an amount of \$25,000 or less to Pennsylvania residents and charging interest and fees in excess of 6% simple interest per annum until licensed by the Department to do such business.

2. Pack Management shall immediately cease and desist from advertising, soliciting, and arranging non-mortgage loans for Pennsylvania residents in an amount less than \$25,000 and charging interest, fees and other considerations in excess of 6% simple interest per annum until licensed by the Department to do such business.

3. Pack Management shall immediately cease and desist from attempting to collect or collecting, directly or indirectly through third parties such as collection agencies, interest or any other considerations that exceed 6% simple interest per annum on non-mortgage loans of less than \$25,000 that it made to Pennsylvania residents since February 1, 2009.

4. Pack Management shall not transfer, assign or sell to any persons, companies or entities any non-mortgage loans of less than \$25,000 that it has made to Pennsylvania residents since February 1, 2009 where the interest, fees or other considerations on the loans exceed 6% simple interest per annum.

5. Pack Management shall not purchase any non-mortgage loans of less than \$25,000 made to Pennsylvania residents since February 1, 2009 where the interest, fees or other considerations on the loans exceed 6% simple interest per annum.

6. Pack Management shall not directly or indirectly (through third parties or collection agencies) file a negative report with any credit agency regarding any Pennsylvania resident to which it has provided a non-mortgage loan of less than \$25,000 since February 1, 2009 if the consumer has paid back the principal amount of the loan plus interest of up to (not in excess of) 6% simple interest per annum.

7. Pack Management shall refund to Pennsylvania residents (that have accepted a loan from Pack Management of less than \$25,000 since February 1, 2009) the amount of monies that the residents paid on loans that exceeded the 6% simple interest per annum rate cap.

8. Within 10 days of the effective date of this Order, Pack Management shall provide to the Department a list of loans and cash advances made to Pennsylvania residents from February 1, 2009 to the present. The list shall include:

- a. The name, address and phone number of each consumer; and
- b. The date of the loan; and
- c. The terms of the loan including the amount financed, any and all charges, interest, fees or other considerations including, but not limited to interest charges, finance charges, renewal fees, and the total amount of payments to be paid by the resident; and
- d. The status of the loans including total amounts still owed by the resident to Pack Management or if the loans have been transferred to a third party such as another lender or collection agency, when such transfer occurred and the contact information for the third party; and
- e. Any other additional information that the Department shall request relating to these loans as the Department deems necessary.

9. Pack Management shall pay a fine to the Department in an amount \$20,000 for the violations of the CDCA and LIPL referenced in this Order. *See* 41 P.S. § 505(b). The Department reserves the right to impose additional fines and request additional restitution for consumers if it receives any subsequent consumer complaints.

10. Pack Management shall pay the reasonable costs and expenses incurred by the Department to commence and prosecute this enforcement action should Pack Management challenge this Order without success. To this end, the Department expressly requests a separate hearing to ascertain the amount of monies expended by the Department.

This Order shall not preclude the Department from commencing additional enforcement action against Pack Management and any additional entities, companies, or persons associated with Pack Management as it deems necessary.

IT IS SO ORDERED.

Ryan Walsh, Chief of Compliance
Bureau of Compliance and Licensing
Department of Banking

Date: April 3, 2012

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

2012 APR -3 PM 3:38

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU
OF COMPLIANCE AND LICENSING

PA DEPT OF BANKING

v.

Docket No.: 12 0042 (ENF-C&D)

PACK MANAGEMENT GROUP, LLC

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing **Order** upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35 and 33.36:

BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED
AND FIRST CLASS MAIL:

Pack Management Group, LLC
2533 N. Carson Street, Suite 4074
Carson City, NV 89706

Dated: April 3, 2012

Sharon M. Williams
Assistant Counsel
Attorney I.D.#: 207545
FOR: Commonwealth of Pennsylvania
Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471