

REPRINT  
SUBSTITUTE FOR  
SENATE BILL NO. 780

(As passed the Senate November 1, 2001)

A bill to amend 1960 PA 136, entitled  
"Sale of checks act,"  
by amending sections 2, 12, and 15 (MCL 487.902, 487.912, and  
487.915), sections 2 and 12 as amended by 1986 PA 275, and by  
adding sections 12b, 12c, 12d, 12e, 12f, 12g, and 12h.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

- 1       Sec. 2. ~~For the purpose of this act:~~
- 2       ~~(a) "Person" means any individual, partnership, association,~~
- 3 ~~joint stock association, trust, or corporation.~~
- 4       ~~(b) "Licensee" means any person duly licensed by the commis-~~
- 5 ~~sioner pursuant to this act.~~
- 6       ~~(c) "Check" means any check, draft, money order, or other~~
- 7 ~~instrument for the transmission or payment of money.~~
- 8       ~~(d) "Commissioner" means the commissioner of the financial~~
- 9 ~~institutions bureau.~~

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1 ~~(e) "Permissible investments" means any of the following:~~

2 AS USED IN THIS ACT:

3 (A) "CHECK" MEANS ANY CHECK, DRAFT, MONEY ORDER, OR OTHER  
4 INSTRUMENT FOR THE TRANSMISSION OR PAYMENT OF MONEY.

5 (B) "COMMISSIONER" MEANS THE COMMISSIONER OF THE OFFICE OF  
6 FINANCIAL AND INSURANCE SERVICES AND ANY AUTHORIZED REPRESENTA-  
7 TIVE OF THE COMMISSIONER.

8 (C) "CONTROL PERSON" MEANS A DIRECTOR OR EXECUTIVE OFFICER  
9 OF A LICENSEE OR A PERSON WHO HAS THE AUTHORITY TO PARTICIPATE IN  
10 THE DIRECTION, DIRECTLY OR INDIRECTLY THROUGH 1 OR MORE OTHER  
11 PERSONS, OF THE MANAGEMENT OR POLICIES OF A LICENSEE.

12 (D) "EXECUTIVE OFFICER" MEANS AN OFFICER, MEMBER, OR PARTNER  
13 OF A LICENSEE, INCLUDING CHIEF EXECUTIVE OFFICER, PRESIDENT, VICE  
14 PRESIDENT, CHIEF FINANCIAL OFFICER, CONTROLLER, COMPLIANCE OFFI-  
15 CER, OR ANY OTHER SIMILAR POSITION.

16 (E) "FINANCIAL LICENSING ACT" MEANS THE CONSUMER FINANCIAL  
17 SERVICES ACT, 1988 PA 161, MCL 487.2051 TO 487.2072, AND ANY ACT  
18 LISTED IN SECTION 2 OF THE CONSUMER FINANCIAL SERVICES ACT, 1988  
19 PA 161, MCL 487.2052.

20 (F) "LICENSEE" MEANS A PERSON LICENSED UNDER THIS ACT.

21 (G) "PERMISSIBLE INVESTMENTS" MEANS 1 OR MORE OF THE  
22 FOLLOWING:

23 (i) Cash.

24 (ii) Certificates of deposit or other debt instruments of a  
25 financial institution ~~which debt instruments~~ THAT are insured  
26 by an agency of the federal government and ~~which are~~ readily  
27 marketable.

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1 (iii) Bills of exchange or time drafts drawn on and accepted  
2 by a commercial bank, otherwise known as bankers acceptances,  
3 which are eligible for purchase by member banks of the federal  
4 reserve system.

5 (iv) Commercial paper of prime quality as defined by a  
6 nationally recognized organization that rates ~~such~~ COMMERCIAL  
7 paper.

8 (v) Investment securities that are obligations of the United  
9 States or any of its agencies or instrumentalities, or obliga-  
10 tions ~~which~~ THAT are guaranteed fully as to principal and  
11 interest by the United States, or any obligations of any state,  
12 municipality, or ~~of~~ any political subdivision of any state or  
13 municipality.

14 (vi) Shares in a money market mutual fund, or  
15 interest-bearing bills, notes, or bonds.

16 (vii) ~~Any common~~ COMMON or preferred stock traded on a  
17 national securities exchange. Investments in stock under this  
18 subparagraph shall not exceed 10% of the amount of permissible  
19 investments held by a licensee or 20% of the net worth of the  
20 licensee, whichever is less.

21 (viii) Any receivable ~~which~~ THAT is due to any licensee  
22 from its agents ~~pursuant to~~ UNDER an agreement described in  
23 section 10a.

24 (ix) ~~Any~~ A demand borrowing agreement or agreements in an  
25 amount or aggregate amount ~~which~~ THAT does not exceed 10% of  
26 the net worth of the company liable for payment ~~thereof~~ under  
27 the agreement as shown on financial statements certified by a

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1 certified public accountant acceptable to the commissioner, which  
2 company is a corporation or a subsidiary of a corporation whose  
3 capital stock is listed on a national exchange and is not a  
4 licensee or agent of a licensee. The borrowing agreements shall  
5 be filed with the commissioner.

6 (x) Any other investments approved by the commissioner.

7 (H) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, ASSOCIATION,  
8 CORPORATION, LIMITED LIABILITY COMPANY, OR ANY OTHER ENTITY.

9 (I) ~~-(f)-~~ "Travelers check" means an instrument for the pay-  
10 ment of money ~~that is sold in a multiple of \$5.00 or \$10.00, or~~  
11 a foreign currency instrument in any denomination, that provides  
12 for both of the following:

13 (i) A specimen signature of the purchaser to be completed at  
14 the time of purchase of the instrument.

15 (ii) A countersignature of the purchaser, to be completed  
16 when the instrument is negotiated.

17 Sec. 12. (1) A license shall not be denied, suspended, or  
18 revoked except on 10 days' notice to the applicant or licensee  
19 setting forth in writing the reasons for the denial, suspension,  
20 or revocation. Within 5 days after receipt of the notice the  
21 applicant or licensee may make written demand for a hearing. The  
22 commissioner with reasonable promptness shall hear and determine  
23 the matter as provided by ~~chapter 4 of~~ the administrative pro-  
24 cedures act of 1969, ~~Act No. 306 of the Public Acts of 1969,~~  
25 ~~being sections 24.271 to 24.287 of the Michigan Compiled Laws~~  
26 1969 PA 306, MCL 24.201 TO 24.328. If the applicant or licensee  
27 considers itself aggrieved by the order of the commissioner, the

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1 applicant or licensee may appeal within 30 days from the date of  
2 ~~such~~ THE order to the circuit court in the manner provided by  
3 ~~chapter 6 of~~ the administrative procedures act of 1969, ~~Act~~  
4 ~~No. 306 of the Public Acts of 1969, being sections 24.301 to~~  
5 ~~24.306 of the Michigan Compiled Laws~~ 1969 PA 306, MCL 24.201 TO  
6 24.328, and shall be entitled to the same judicial review as pro-  
7 vided in that act. If an appeal is taken from an order revoking  
8 any license, the effect of the order may be stayed by the court  
9 pending the final determination of the appeal.

10 (2) The commissioner may make investigations and conduct  
11 hearings as the commissioner considers necessary to determine  
12 whether any licensee or any other person has violated ~~any of the~~  
13 ~~provisions of~~ this act, or whether ~~any~~ A licensee has con-  
14 ducted business in ~~such~~ a manner ~~as~~ THAT would justify sus-  
15 pension or revocation of its license.

16 (3) The commissioner may subpoena witnesses and documents,  
17 papers, books, records, and other evidence in any matter over  
18 which the commissioner has jurisdiction, control, or  
19 supervision. The commissioner may administer oaths and affirma-  
20 tions to any person whose testimony is required.

21 (4) If a person fails to comply with a subpoena issued by  
22 the commissioner or to testify with respect to any matter con-  
23 cerning which the person may be lawfully questioned, the  
24 COMMISSIONER MAY PETITION THE circuit court for Ingham county ~~,~~  
25 ~~on application of the commissioner, may~~ TO issue an order  
26 requiring the attendance of the person and the giving of  
27 testimony or production of evidence.

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1       ~~-(5) If, in the opinion of the commissioner, a person or~~  
2 ~~licensee is engaging in, or has engaged in, or the commissioner~~  
3 ~~has reasonable cause to believe that the person or licensee is~~  
4 ~~about to engage in, an unsafe or unsound practice in conjunction~~  
5 ~~with the sale of checks, to the detriment of the people of the~~  
6 ~~state, or is violating, or has violated, or the commissioner has~~  
7 ~~reasonable cause to believe is about to violate or fail to comply~~  
8 ~~with a state law or rule promulgated pursuant to a state law, the~~  
9 ~~commissioner may issue and serve upon the person or licensee a~~  
10 ~~notice of the charges regarding the unsafe or unsound practice,~~  
11 ~~violation, or failure to comply. The notice shall contain a~~  
12 ~~statement of the facts constituting the alleged unsafe or unsound~~  
13 ~~practice, violation, or failure and shall fix a time and place at~~  
14 ~~which a hearing will be held to determine whether an order to~~  
15 ~~cease and desist from the practice, violation, or failure to~~  
16 ~~comply should issue against the licensee. The hearing shall be~~  
17 ~~not earlier than 5 days nor later than 10 days after service of~~  
18 ~~the notice unless an earlier or a later date is set by the com-~~  
19 ~~missioner at the request of the person or licensee. Unless the~~  
20 ~~person or licensee appears at the hearing personally or by a duly~~  
21 ~~authorized representative, the person or licensee shall be con-~~  
22 ~~sidered to have consented to the issuance of the cease and desist~~  
23 ~~order. In the event of such consent, or if upon the record made~~  
24 ~~at the hearing, the commissioner finds that any unsafe or unsound~~  
25 ~~practice, violation, or failure to comply specified in the notice~~  
26 ~~of charges has been established, the commissioner may issue and~~  
27 ~~serve upon the person or licensee an order to cease and desist~~

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~~1 from any such practice, violation, or failure to comply. The  
2 order may also require or recommend that the person or licensee  
3 take affirmative action to correct the conditions resulting from  
4 any such practice, violation, or failure to comply.~~

~~5 (6) A cease and desist order issued under subsection (5)  
6 shall become effective at the expiration of 5 days after service  
7 of the order upon the licensee, except in the case of an order  
8 issued upon consent which shall become effective at the time  
9 specified in the order, and shall remain in effect and enforce-  
10 able as provided in the order, except to the extent it is stayed,  
11 modified, terminated, or set aside by action of the commissioner  
12 or a reviewing court.~~

13 SEC. 12B. (1) IF IN THE OPINION OF THE COMMISSIONER A  
14 LICENSEE IS, HAS, OR IS ABOUT TO ENGAGE IN A PRACTICE THAT POSES  
15 A THREAT OF FINANCIAL LOSS OR THREAT TO THE PUBLIC WELFARE, OR  
16 IS, HAS, OR IS ABOUT TO VIOLATE A LAW OR RULE, THE COMMISSIONER  
17 MAY SERVE A NOTICE OF INTENTION TO ISSUE A CEASE AND DESIST ORDER  
18 AS PROVIDED IN SUBSECTION (2).

19 (2) A NOTICE SERVED UNDER THIS SECTION SHALL CONTAIN A  
20 STATEMENT OF THE FACTS CONSTITUTING THE ALLEGED PRACTICE OR VIO-  
21 LATION, AND SHALL FIX A TIME AND PLACE AT WHICH A HEARING WILL BE  
22 HELD TO DETERMINE WHETHER AN ORDER TO CEASE AND DESIST SHOULD BE  
23 ISSUED AGAINST THE LICENSEE.

24 (3) IF THE LICENSEE FAILS TO APPEAR AT THE HEARING BY A DULY  
25 AUTHORIZED REPRESENTATIVE, THE LICENSEE SHALL HAVE CONSENTED TO  
26 THE ISSUANCE OF THE CEASE AND DESIST ORDER.

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1       (4) IN THE EVENT OF CONSENT UNDER SUBSECTION (3), OR IF UPON  
2 THE RECORD MADE AT THE HEARING, THE COMMISSIONER FINDS THAT THE  
3 PRACTICE OR VIOLATION SPECIFIED IN THE NOTICE HAS BEEN ESTAB-  
4 LISHED, THE COMMISSIONER MAY SERVE UPON THE LICENSEE AN ORDER TO  
5 CEASE AND DESIST FROM THE PRACTICE OR VIOLATION. THE ORDER MAY  
6 REQUIRE THE LICENSEE AND ITS OFFICERS, DIRECTORS, MEMBERS, PART-  
7 NERS, TRUSTEES, EMPLOYEES, AGENTS, AND PERSONS EXERCISING CONTROL  
8 OVER THE BUSINESS ACTIVITIES OF THE LICENSEE TO CEASE AND DESIST  
9 FROM THE PRACTICE OR VIOLATION AND TO TAKE AFFIRMATIVE ACTION TO  
10 CORRECT THE CONDITIONS RESULTING FROM THE PRACTICE OR VIOLATION.

11       (5) EXCEPT AS PROVIDED IN SUBSECTION (6) OR TO THE EXTENT IT  
12 IS STAYED, MODIFIED, TERMINATED, OR SET ASIDE BY THE COMMISSIONER  
13 OR A COURT, A CEASE AND DESIST ORDER SHALL BECOME EFFECTIVE ON  
14 THE DATE OF SERVICE.

15       (6) A CEASE AND DESIST ORDER ISSUED UPON CONSENT SHALL  
16 BECOME EFFECTIVE AT THE TIME SPECIFIED IN THE ORDER AND REMAIN  
17 EFFECTIVE AND ENFORCEABLE AS PROVIDED IN THE ORDER.

18       SEC. 12C. (1) AS PROVIDED IN SECTION 14, THE COMMISSIONER  
19 MAY INVESTIGATE OR CONDUCT AN EXAMINATION OF ANY PERSON AND CON-  
20 DUCT HEARINGS AS THE COMMISSIONER CONSIDERS NECESSARY TO DETER-  
21 MINE WHETHER A LICENSEE OR ANY OTHER PERSON HAS VIOLATED THIS  
22 ACT, OR WHETHER A LICENSEE HAS CONDUCTED BUSINESS IN A MANNER  
23 THAT WOULD JUSTIFY SUSPENSION OR REVOCATION OF ITS LICENSE.

24       (2) UPON THE FILING OF A COMPLAINT OR THE TAKING OF ACTION  
25 AGAINST A LICENSEE UNDER SECTION 12B, THE COMMISSIONER MAY ISSUE  
26 AND SERVE UPON A LICENSEE AN ORDER SUSPENDING THAT PERSON'S  
27 LICENSE. THE ORDER SHALL BE SUPPORTED BY AN AFFIDAVIT FROM A



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1 PERSON FAMILIAR WITH THE FACTS SET FORTH IN THE AFFIDAVIT AND  
2 SHALL CONTAIN INFORMATION THAT AN IMMINENT THREAT OF FINANCIAL  
3 LOSS OR THREAT TO THE PUBLIC WELFARE EXISTS.

4 (3) UPON SERVICE OF THE ORDER UNDER SUBSECTION (2), THE  
5 LICENSEE SHALL HAVE 20 DAYS TO FILE WITH THE COMMISSIONER A  
6 REQUEST FOR A HEARING. THE HEARING SHALL BE SCHEDULED WITHIN 20  
7 DAYS OF THE RECEIPT OF A REQUEST FILED UNDER THIS SUBSECTION.

8 (4) A SUSPENSION OF A LICENSE UNDER THIS SECTION SHALL CON-  
9 TINUE UNTIL THE COMMISSIONER FINDS THAT THE THREAT OF FINANCIAL  
10 LOSS OR THREAT TO THE PUBLIC WELFARE NO LONGER EXISTS.

11 SEC. 12D. (1) IF IN THE OPINION OF THE COMMISSIONER A  
12 PERSON HAS ENGAGED IN FRAUD, THE COMMISSIONER MAY SERVE UPON THAT  
13 PERSON A WRITTEN NOTICE OF INTENTION TO PROHIBIT THAT PERSON FROM  
14 BEING EMPLOYED BY, AN AGENT OF, OR CONTROL PERSON OF A LICENSEE  
15 UNDER THIS ACT OR A LICENSEE OR REGISTRANT UNDER A FINANCIAL  
16 LICENSING ACT. FOR PURPOSES OF THIS SECTION, "FRAUD" SHALL  
17 INCLUDE ACTIONABLE FRAUD, ACTUAL OR CONSTRUCTIVE FRAUD, CRIMINAL  
18 FRAUD, EXTRINSIC OR INTRINSIC FRAUD, FRAUD IN THE EXECUTION, IN  
19 THE INDUCEMENT, IN FACT, OR IN LAW, OR ANY OTHER FORM OF FRAUD.

20 (2) A NOTICE ISSUED UNDER SUBSECTION (1) SHALL CONTAIN A  
21 STATEMENT OF THE FACTS SUPPORTING THE PROHIBITION AND, EXCEPT AS  
22 PROVIDED UNDER SUBSECTION (7), SET A HEARING TO BE HELD NOT MORE  
23 THAN 60 DAYS AFTER THE DATE OF THE NOTICE. IF THE PERSON DOES  
24 NOT APPEAR AT THE HEARING, HE OR SHE IS CONSIDERED TO HAVE CON-  
25 SENTED TO THE ISSUANCE OF AN ORDER IN ACCORDANCE WITH THE  
26 NOTICE.

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1       (3) IF AFTER A HEARING HELD UNDER SUBSECTION (2) THE  
2 COMMISSIONER FINDS THAT ANY OF THE GROUNDS SPECIFIED IN THE  
3 NOTICE HAVE BEEN ESTABLISHED, THE COMMISSIONER MAY ISSUE AN ORDER  
4 OF SUSPENSION OR PROHIBITION FROM BEING A LICENSEE OR REGISTRANT  
5 OR FROM BEING EMPLOYED BY, AN AGENT OF, OR CONTROL PERSON OF ANY  
6 LICENSEE UNDER THIS ACT OR A LICENSEE OR REGISTRANT UNDER A  
7 FINANCIAL LICENSING ACT.

8       (4) AN ORDER ISSUED UNDER SUBSECTION (2) OR (3) IS EFFECTIVE  
9 UPON SERVICE UPON THE PERSON. THE COMMISSIONER SHALL ALSO SERVE  
10 A COPY OF THE ORDER UPON THE LICENSEE OF WHICH THE PERSON IS AN  
11 EMPLOYEE, AGENT, OR CONTROL PERSON. THE ORDER REMAINS IN EFFECT  
12 UNTIL IT IS STAYED, MODIFIED, TERMINATED, OR SET ASIDE BY THE  
13 COMMISSIONER OR A REVIEWING COURT.

14       (5) AFTER 5 YEARS FROM THE DATE OF AN ORDER ISSUED UNDER  
15 SUBSECTION (2) OR (3), THE PERSON SUBJECT TO THE ORDER MAY APPLY  
16 TO THE COMMISSIONER TO TERMINATE THE ORDER.

17       (6) IF THE COMMISSIONER CONSIDERS THAT A PERSON SERVED A  
18 NOTICE UNDER SUBSECTION (1) POSES AN IMMINENT THREAT OF FINANCIAL  
19 LOSS TO PURCHASERS OF CHECKS FROM A LICENSEE, THE COMMISSIONER  
20 MAY SERVE UPON THE PERSON AN ORDER OF SUSPENSION FROM BEING  
21 EMPLOYED BY, AN AGENT OF, OR CONTROL PERSON OF ANY LICENSEE. THE  
22 SUSPENSION IS EFFECTIVE ON THE DATE THE ORDER IS ISSUED AND,  
23 UNLESS STAYED BY A COURT, REMAINS IN EFFECT PENDING THE COMPLE-  
24 TION OF A REVIEW AS PROVIDED UNDER THIS SECTION AND THE COMMIS-  
25 SIONER HAS DISMISSED THE CHARGES SPECIFIED IN THE ORDER.

26       (7) UNLESS OTHERWISE AGREED TO BY THE COMMISSIONER AND THE  
27 PERSON SERVED WITH AN ORDER ISSUED UNDER SUBSECTION (6), THE

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1 HEARING REQUIRED UNDER SUBSECTION (2) TO REVIEW THE SUSPENSION  
2 SHALL BE HELD NOT EARLIER THAN 5 DAYS OR LATER THAN 20 DAYS AFTER  
3 THE DATE OF THE NOTICE.

4 (8) IF A PERSON IS CONVICTED OF A FELONY INVOLVING FRAUD,  
5 DISHONESTY, OR BREACH OF TRUST, THE COMMISSIONER MAY ISSUE AN  
6 ORDER SUSPENDING OR PROHIBITING THAT PERSON FROM BEING A LICENSEE  
7 AND FROM BEING EMPLOYED BY, AN AGENT OF, OR CONTROL PERSON OF ANY  
8 LICENSEE UNDER THIS ACT OR A LICENSEE OR REGISTRANT UNDER A  
9 FINANCIAL LICENSING ACT. AFTER 5 YEARS FROM THE DATE OF THE  
10 ORDER, THE PERSON SUBJECT TO THE ORDER MAY APPLY TO THE COMMIS-  
11 SIONER TO TERMINATE THE ORDER.

12 (9) THE COMMISSIONER SHALL MAIL A COPY OF ANY NOTICE OR  
13 ORDER ISSUED UNDER THIS SECTION TO THE LICENSEE OF WHICH THE  
14 PERSON SUBJECT TO THE NOTICE OR ORDER IS AN EMPLOYEE, AGENT, OR  
15 CONTROL PERSON.

16 SEC. 12E. (1) A HEARING UNDER SECTION 12B OR 12D SHALL BE  
17 CONDUCTED UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969  
18 PA 306, MCL 24.201 TO 24.328. WITHIN 30 DAYS AFTER THE COMMIS-  
19 SIONER HAS NOTIFIED THE PARTIES THAT THE CASE HAS BEEN SUBMITTED  
20 TO HIM OR HER FOR FINAL DECISION, THE COMMISSIONER SHALL RENDER A  
21 DECISION THAT SHALL INCLUDE FINDINGS OF FACT SUPPORTING THE DECI-  
22 SION AND SERVE UPON EACH PARTY TO THE PROCEEDING A COPY OF THE  
23 DECISION AND AN ORDER CONSISTENT WITH THE DECISION.

24 (2) EXCEPT FOR A CONSENT ORDER, A PARTY TO THE PROCEEDING,  
25 OR A PERSON AFFECTED BY AN ORDER ISSUED UNDER SECTION 12B OR  
26 SECTION 12D MAY OBTAIN A JUDICIAL REVIEW OF THE ORDER. A CONSENT  
27 ORDER MAY BE REVIEWED AS PROVIDED UNDER THE ADMINISTRATIVE

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1 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

2 EXCEPT FOR AN ORDER UNDER JUDICIAL REVIEW, THE COMMISSIONER MAY  
3 TERMINATE OR SET ASIDE ANY ORDER. THE COMMISSIONER MAY TERMINATE  
4 OR SET ASIDE AN ORDER UNDER JUDICIAL REVIEW WITH THE PERMISSION  
5 OF THE COURT.

6 (3) UNLESS ORDERED BY THE COURT, THE COMMENCEMENT OF PRO-  
7 CEEDINGS FOR JUDICIAL REVIEW UNDER SUBSECTION (2) DOES NOT STAY  
8 THE COMMISSIONER'S ORDER.

9 SEC. 12F. THE COMMISSIONER MAY APPLY TO THE CIRCUIT COURT  
10 OF INGHAM COUNTY FOR THE ENFORCEMENT OF ANY OUTSTANDING ORDER  
11 ISSUED UNDER SECTION 12B, 12C, OR 12D.

12 SEC. 12G. IN ADDITION TO ANY OTHER PENALTIES PROVIDED FOR  
13 UNDER THIS ACT, ANY CURRENT OR FORMER EXECUTIVE OFFICER, DIREC-  
14 TOR, AGENT, OR CONTROL PERSON WHO VIOLATES A FINAL ORDER ISSUED  
15 UNDER SECTION 12D IS GUILTY OF A MISDEMEANOR PUNISHABLE BY A FINE  
16 OF NOT MORE THAN \$5,000.00 OR IMPRISONMENT FOR NOT MORE THAN 1  
17 YEAR, OR BOTH.

18 SEC. 12H. A CONTROL PERSON WHO IS SUBJECT TO AN ORDER  
19 ISSUED UNDER SECTION 12D AND WHO MEETS ALL OF THE FOLLOWING  
20 REQUIREMENTS IS NOT IN VIOLATION OF THE ORDER:

21 (A) THE CONTROL PERSON SHALL NOT IN ANY MANNER, DIRECTLY OR  
22 INDIRECTLY, PARTICIPATE IN THE CONTROL OF A LICENSEE AFTER THE  
23 DATE THE ORDER IS ISSUED.

24 (B) THE CONTROL PERSON SHALL WITHIN 6 MONTHS AFTER THE DATE  
25 THE ORDER IS FINAL TRANSFER ANY INTEREST THE CONTROL PERSON OWNS  
26 IN A LICENSEE TO AN UNRELATED THIRD PARTY.

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1       Sec. 15. ~~If any person to whom or to which this act~~  
2 ~~applies, or any agent or representative of such person violates~~  
3 ~~any of the provisions of this act, or attempts to transact the~~  
4 ~~business of selling or issuing checks without having first~~  
5 ~~obtained a license from the commissioner pursuant to the provi-~~  
6 ~~sions of this act, such person and each such agent or representa-~~  
7 ~~tive is guilty of a misdemeanor, and shall be fined not less than~~  
8 ~~\$100.00 nor more than \$500.00, or imprisoned in the county jail~~  
9 ~~for not more than 90 days, or both. Each transaction in viola-~~  
10 ~~tion of this act and each day that a violation continues shall be~~  
11 ~~a separate offense.~~

12       (1) EXCEPT AS PROVIDED UNDER SECTION 12H, A LICENSEE SHALL  
13 NOT KNOWINGLY PERMIT A PERSON TO VIOLATE AN ORDER THAT HAS BEEN  
14 ISSUED UNDER THIS ACT OR ANY OTHER FINANCIAL LICENSING ACT THAT  
15 PROHIBITS THAT PERSON FROM BEING EMPLOYED BY, AN AGENT OF, OR A  
16 CONTROL PERSON OF THE LICENSEE.

17       (2) A PERSON THAT VIOLATES THIS ACT IS GUILTY OF A MISDE-  
18 MEANOR PUNISHABLE BY A FINE OF NOT MORE THAN \$100.00 OR BY  
19 IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BOTH. EACH TRANSAC-  
20 TION IN VIOLATION OF THIS ACT AND EACH DAY THAT A VIOLATION CON-  
21 TINUES IS A SEPARATE OFFENSE UNDER THIS SECTION.