CONSUMER FINANCIAL SERVICES ACT
Act 161 of 1988

AN ACT to regulate the providing of certain consumer financial services; to provide for licensing of certain financial institutions; to prescribe powers and duties of certain state departments and agencies; to prohibit certain activities; and to provide for remedies and penalties.

History: 1988, Act 161, Eff. Sept. 1, 1988.

The People of the State of Michigan enact:

487.2051 Short title.

Sec. 1. This act shall be known and may be cited as the “consumer financial services act”.

History: 1988, Act 161, Eff. Sept. 1, 1988.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2052 Definitions.

Sec. 2. As used in this act:

(a) "Applicant" means a person that has applied to the commissioner to be licensed under this act.

(b) "Bureau" means the office of financial and insurance services of the department of labor and economic growth.

(c) "Business activity" means any activity regulated by any of the financial licensing acts.

(d) "Class I license" means a license issued under this act that authorizes the licensee to engage in all of the activities permitted under any of the financial licensing acts.

(e) "Class II license" means a license issued under this act that authorizes all of the activities permitted under a class I license except for activities permitted under the sale of checks act, 1960 PA 136, MCL 487.901 to 487.916, loan servicing activities under the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, or the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684.

(f) "Commissioner" means the commissioner of the office of financial and insurance services or an authorized representative of the commissioner.

(g) "Control person" means a director or executive officer of a licensee or a person who has the authority to participate in the direction, directly or indirectly through 1 or more other persons, of the management or policies of a licensee.

(h) "Depository financial institution" means a bank, savings and loan association, savings bank, or credit union organized under the laws of this state, another state, the District of Columbia, the United States, or a territory or protectorate of the United States, whose deposits are insured by an agency of the federal government.

(i) "Executive officer" means an officer, member, or partner of a licensee, including chief executive officer, president, vice president, chief financial officer, controller, compliance officer, or any other similar position.

(j) "Financial licensing acts" means this act; the regulatory loan act, 1939 PA 21, MCL 493.1 to 493.24; the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81; the motor vehicle sales finance act, 1950 (Ex Sess) PA 27, MCL 492.101 to 492.141; 1984 PA 379, MCL 493.101 to 493.114; the sale of checks act, 1960 PA 136, MCL 487.901 to 487.916; the money transmission services act, MCL 487.1001 to 487.1048; and the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684.

(k) "Licensee" means a person that is licensed under this act.

(*l*) "Loan servicing activities" means the collection or remittance for a lender, noteowner, noteholder, or the licensee's own account of 4 or more installment payments of the principal, interest, or an amount placed in escrow under a mortgage servicing agreement or a mortgage loan subject to the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684, or a mortgage servicing agreement or secondary mortgage loan subject to the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, or an agreement with the mortgagor.

(m) "Person" means an individual, corporation, partnership, association, limited liability company, or any other legal entity.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000;—Am. 2002, Act 390, Imd. Eff. May 30,

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2002;—Am. 2006, Act 252, Imd. Eff. July 3, 2006.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2053 License required to engage in business activity; exceptions.

Sec. 3. (1) A person shall not engage in a business activity unless the person is licensed under the appropriate financial licensing act, or by this act.

(2) This act applies to a person who engages in any business activity if the person is not licensed or, as applicable, registered under the applicable financial licensing act or licensed under this act and is not otherwise exempt from applicable licensing or registration requirements. If a person engages in 1 or more business activities without the applicable licenses or registrations, it shall be discretionary with the commissioner to enforce the applicable licensing or registration requirements under either 1 or more of the financial licensing acts or this act, but not both.

(3) This act does not apply to a depository financial institution.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2054 License application.

Sec. 4. An application for a license under this act shall be made in writing and under oath to the commissioner in the form the commissioner may prescribe. The application shall state the full name, business address, and residence address of the following:

(a) The proprietor, if the applicant is an individual.

(b) Every member, if the applicant is a partnership, limited liability company, or association, except that if the applicant is a joint stock association having 50 or more members, the name and business address need be given only for the association and each of its officers and directors.

(c) If the applicant is a corporation, the name of the corporation and each of its officers, directors, and stockholders. The commissioner may exempt publicly held corporations from the requirement of providing information regarding stockholders.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2055 License fee; investigation fee; financial statements; net worth requirements.

Sec. 5. (1) An application for a license shall be accompanied by all of the following:

(a) An annual operating fee as established by the commissioner under section 11.

(b) An application fee as provided in section 11. The application fee is not refundable.

(c) Financial statements, reasonably satisfactory to the commissioner, showing that the applicant's net worth exceeds $100,000.00 for an applicant for a class I license; $50,000.00 for an applicant for a class II license; $1,000,000.00 for an applicant that intends to engage in business activity governed by 1984 PA 379, MCL 493.101 to 493.114; or $100,000.00 plus an additional $25,000.00 for each location or authorized delegate, as applicable, or $1,000,000.00, whichever is less, for an applicant that intends to provide money transmission services as defined in section 2 of the money transmission services act. A licensee shall have and continue to maintain the required net worth while engaging in the business activities authorized for licensing under this act. The commissioner may by order establish a higher net worth requirement for new class I licensees to assure safe and sound operation of the activities.

(2) Net worth under subsection (1)(c) shall be determined at the conclusion of the fiscal year of the licensee immediately preceding the date an application for a license is submitted to the commissioner or, for corporations not in existence as of the previous year end, the immediately preceding month end. Net worth shall be disclosed on a form prescribed by the commissioner or on a form prepared or reviewed by a certified public accountant and shall be computed in accordance with generally accepted accounting principles. The following assets shall be excluded in the computation of net worth:

(a) That portion of an applicant's assets pledged to secure obligations of any person other than the applicant.

(b) Receivables from officers or, in the case of a corporate applicant other than a publicly traded company, stockholders of the applicant or persons in which the applicant's officers or stockholders have an interest,

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except that construction loan receivables secured by mortgages from related companies are not so excluded.

(c) An amount in excess of the lower of the cost or market value of mortgage loans in foreclosure or real property acquired through foreclosure.

(d) An investment shown on the balance sheet in joint ventures, subsidiaries, or affiliates that is greater than the market value of the investment.

(e) Goodwill or value placed on insurance renewals or property management contract renewals or other similar intangible value.

(f) Organization costs.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000;—Am. 2006, Act 252, Imd. Eff. July 3, 2006.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2056 Surety bond or letter of credit.

Sec. 6. (1) An applicant for a license shall furnish a surety bond or letter of credit to secure its obligations under this act to the commissioner. Except as provided in this subsection, the principal amount of a surety bond or letter of credit shall be at least $500,000.00. If the applicant intends to provide money transmission services as defined in section 2 of the money transmission services act, the applicant shall file a surety bond that is in a principal amount as determined under section 13(5)(b) of the money transmission services act for a licensee under that act.

(2) A surety bond described in subsection (1) shall be payable to the commissioner for the benefit of the people of the state of Michigan for the use of, and may be sued on by, the state. A surety bond or letter of credit shall remain for the duration of the licensure period.

(3) A surety bond or letter of credit required under subsection (1) shall be in a form satisfactory to the commissioner and payable upon demand by the commissioner if he or she determines that the licensee is not conducting its activities as required by this act and all of the rules promulgated under this act, and has failed to pay all money that becomes due to a person who is an installment buyer under the motor vehicle sales finance act, 1950 (Ex Sess) PA 27, MCL 492.101 to 492.141, Michigan residents who purchase checks under the sale of checks act, 1960 PA 136, MCL 487.901 to 487.916, Michigan residents who purchase money transmission services as defined in section 2 of the money transmission services act, loan applicants, loan servicing customers, and borrowers under the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, or the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684, and the commissioner.

(4) The commissioner shall prioritize and pay claims against a bond or letter of credit filed with the commissioner under this section in a manner that, in the commissioner's discretion, best protects the public interest.

(5) Claims described in subsection (4) may only be filed against a licensee's bond or letter of credit by the commissioner on behalf of the bureau and of individuals having claims and who are, as applicable, the licensee's loan applicants, loan servicing customers, and borrowers under the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, or the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684, Michigan residents who purchase checks under the sale of checks act, 1960 PA 136, MCL 487.901 to 487.916, Michigan residents who purchase money transmission services as defined in section 2 of the money transmission services act, or persons who are installment buyers under the motor vehicle sales finance act, 1950 (Ex Sess) PA 27, MCL 492.101 to 492.141.

(6) Claims filed with the commissioner against a bond or letter of credit by a loan applicant, loan servicing customer, or borrower under the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, or the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684, shall involve, as applicable, only a mortgage loan, mortgage loan application, secondary mortgage loan, or secondary mortgage loan application secured or to be secured by real property used as a dwelling located in this state. The amount of the claim shall not exceed actual fees paid by the claimant to the licensee in connection with a loan application, overcharges of principal and interest, and excess escrow collections by the licensee.

(7) Before payment of any claim filed under this section, unless the commissioner waives, in whole or in part, the right to priority of payment, the commissioner shall be paid in full for fines and fees due to the bureau and for expenses incurred in investigating the licensee and in distributing the proceeds of the bond or letter of credit. In the event that valid claims exceed the amount of the bond or letter of credit, each claimant except the commissioner is entitled only to a pro rata amount of his or her valid claim.

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History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000;—Am. 2006, Act 252, Imd. Eff. July 3, 2006
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487.2057 Investigation of license applicant by commissioner; issuance and delivery of license; expiration of license; renewal of license; fee; penalty for delinquent payment.

Sec. 7. (1) Upon the filing of an application and the payment of the required fees by an applicant, the commissioner shall investigate the applicant. If the commissioner finds that the financial responsibility, experience, character, and general fitness of the applicant, and of the applicant's members if the applicant is a partnership, limited liability company, or association, and of the applicant's officers and directors if the applicant is a corporation, are such as to command the confidence of the community and to warrant belief that the business will be operated lawfully, honestly, fairly, and efficiently within the purposes of this act, the commissioner shall issue and deliver to the applicant a license to engage in all of the activities authorized under this act or by rule or order of the commissioner.

(2) A license issued or renewed under this act expires on December 31 each year. To renew an existing license, a licensee shall pay an annual operating fee as provided in section 11 on or before December 15 of the year immediately preceding the year for which the renewal is requested. An annual operating fee paid after December 31 is subject to a penalty of $25.00 for each day the fee is delinquent or $1,000.00, whichever is less, and may be grounds for the commissioner's refusal to reissue the license.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2058 License certificate; availability of copy; transferability; changing name or place of business; operating one place of business under same license; additional place of business; ceasing business activities.

Sec. 8. (1) Upon approval by the commissioner of an application for a license, the commissioner shall issue to the applicant a license certificate showing the name of the person authorized to do business and the business address of the licensee. The licensee shall make a copy of the license available at the licensee's place of business for inspection upon request by any natural person.

(2) A license shall not be transferred or assigned without the prior consent of the commissioner. For purposes of this subsection, transfer means the sale, assignment, or conveyance of more than 25% of the outstanding voting stock of a licensee that is a corporation, or more than 25% of the ownership interest in a licensee that is a partnership or other legal entity.

(3) A licensee under this act may change its name or place of business shown on the license. To change its name or the place of business shown on the license, a licensee shall give prior written notice to the commissioner and return the license certificate to the commissioner for amendment. The commissioner shall amend the license certificate to show the new name or the new place of business shown on the license and the date of reissue.

(4) A licensee may engage in activities for which a license is required at more than 1 place of business by providing not less than 30 days' written notice to the commissioner before opening each additional place of business, and otherwise complying with the requirements of this act. An application that identifies the locations at which the applicant, if approved, will conduct business activities that are subject to this act meets the notice requirement of this subsection for those locations.

(5) A licensee that elects to cease engaging in business activities that are subject to this act at a place of business shall provide prior written notice to the commissioner.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2059 Compliance; exemption of licensee from certain provisions of financial licensing acts; purchase of certain contracts; loans; employment of individual as loan officer to originate mortgage loans or secondary mortgage loan officer to originate secondary mortgage loans; "employ" defined.

Sec. 9. (1) Except as otherwise provided in subsection (2), a licensee under this act shall comply with all of

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the requirements of the financial licensing acts.

(2) A licensee under this act is exempt from provisions of the financial licensing acts regulating any of the following:

(a) Application procedures.

(b) Licensing procedures.

(c) Payment of fees by the licensee.

(d) Filing of surety bonds.

(e) Denial, suspension, or revocation of a license.

(f) Retention of records.

(g) Filing of reports.

(3) A licensee may purchase a contract made in compliance with the retail installment sales act, 1966 PA 224, MCL 445.851 to 445.873, or the home improvement finance act, 1965 PA 332, MCL 445.1101 to 445.1431.

(4) A licensee may have 1 or more loans outstanding to 1 borrower, but no single loan transaction shall violate the financial licensing act which regulates the type of loan transaction.

(5) A licensee acting as a mortgage broker or mortgage lender shall not employ or engage an individual as a loan officer to originate mortgage loans unless he or she is a licensed loan officer. As used in this subsection, "licensed loan officer", "loan officer", "originate", "mortgage broker", and "mortgage lender" mean those terms as defined in section 1a of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651a.

(6) A licensee acting as a broker or lender shall not employ or engage an individual as a secondary mortgage loan officer to originate secondary mortgage loans unless he or she is a licensed secondary mortgage loan officer. As used in this subsection, "broker", "lender", "licensed secondary mortgage loan officer", "originate", and "secondary mortgage loan officer" mean those terms as defined in section 1 of the secondary mortgage loan act, 1981 PA 125, MCL 493.51.

(7) As used in this section, "employ" means an engagement of an individual by a licensee that meets both of the following:

(a) Is acknowledged by the licensee and individual as an employment relationship.

(b) The licensee treats the individual as an employee for compliance with federal income tax laws.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000;—Am. 2009, Act 12, Imd. Eff. Apr. 9, 2009;—Am. 2009, Act 78, Eff. July 31, 2010.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

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487.2060 Suspension or revocation of license; notice; hearing; determination; appeal; grounds for suspending, revoking, or refusing to renew license; suspension or revocation of activities; investigations, examinations, and hearings; evidence; failure to comply with subpoena; cease and desist order.

Sec. 10. (1) A license shall not be suspended or revoked except on not less than 10 days' notice to the licensee setting forth in writing the reasons for the suspension or revocation. Within 5 days after receipt of the notice, the licensee may make written demand for a hearing. The commissioner with reasonable promptness shall hear and determine the matter as provided by the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. If the licensee considers itself aggrieved by the order of the commissioner, the licensee may appeal within 30 days from the date of the order to the circuit court in the manner provided by the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and shall be entitled to judicial review as provided in that act. If an appeal is taken from an order revoking any license, the effect of the order may be stayed by the court pending the final determination of the appeal.

(2) The commissioner may suspend, revoke, or refuse to renew a license under this act if the commissioner finds 1 or more of the following:

(a) The licensee has made a material misstatement in the application for license.

(b) The licensee has violated a provision of this act or a rule promulgated under this act, or an order of the commissioner.

(c) The licensee has refused to permit the commissioner or the commissioner's designated representative to make examinations authorized by this act.

(d) The licensee has failed to meet or maintain the requirements of section 6 or any other requirements of this act.

(e) The licensee has failed to maintain satisfactory records as required by this act.

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(f) The licensee has falsified a record required by this act to be maintained in connection with the business regulated by this act.

(g) The licensee has, after proper notice, failed to file a report with the commissioner within the time stipulated in this act.

(h) The licensee has failed to pay the fine required by this act for failure to file reports within the time stipulated.

(i) The licensee has defrauded a consumer or willfully failed to perform a written agreement with a consumer.

(j) The licensee has refused or failed, within a reasonable time, to furnish any information or make any report that is required by the commissioner.

(k) A fact or condition exists that, if it had existed or had been known to exist at the time of filing of the application for a license, would have warranted refusal by the commissioner to issue a license.

(*l*) A class I licensee authorized to issue or sell checks, has refused or is unable to pay its obligations generally as they become due.

(m) A licensee engaged in loan servicing activities, intentionally or as a result of gross or wanton negligence, is not servicing loans as required by law or by the terms of the servicing contracts.

(n) The licensee has failed to pay an annual operating fee or any associated late filing fees.

(3) Based on the findings of the commissioner under subsection (2), he or she may suspend or revoke all activities under the license, or only the particular regulated activity for which grounds for revocation or suspension occurred or existed.

(4) The commissioner may make investigations or conduct examinations of any person and conduct hearings as the commissioner considers necessary to determine whether any licensee or any other person has violated any of the provisions of this act, or whether any licensee has conducted business in such a manner as would justify suspension or revocation of its license.

(5) The commissioner may subpoena witnesses and documents, papers, books, records, and other evidence in any matter over which the commissioner has jurisdiction, control, or supervision. The commissioner may administer oaths and affirmations to any person whose testimony is required.

(6) If a person fails to comply with a subpoena issued by the commissioner or to testify with respect to any matter concerning which the person may be lawfully questioned, the circuit court for Ingham county, on application of the commissioner, may issue an order requiring the attendance of the person and the giving of testimony or production of evidence.

(7) If in the opinion of the commissioner a licensee is, has, or is about to engage in a practice that poses a threat of financial loss or threat to the public welfare, or is, has, or is about to violate a law or rule, the commissioner may serve a notice of intention to issue a cease and desist order as provided in subsection (8).

(8) A notice served under this section shall contain a statement of the facts constituting the alleged practice or violation, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist should be issued against the licensee.

(9) If the licensee fails to appear at the hearing by a duly authorized representative, the licensee shall have consented to the issuance of the cease and desist order.

(10) In the event of consent under subsection (9), or if upon the record made at the hearing, the commissioner finds that the practice or violation specified in the notice has been established, the commissioner may serve upon the licensee an order to cease and desist from the practice or violation. The order may require the licensee and its officers, directors, members, partners, trustees, employees, agents, and persons exercising control over the business activities of the licensee to cease and desist from the practice or violation and to take affirmative action to correct the conditions resulting from the practice or violation.

(11) Except as provided in subsection (12) or to the extent it is stayed, modified, terminated, or set aside by the commissioner or a court, a cease and desist order shall become effective on the date of service.

(12) A cease and desist order issued upon consent shall become effective at the time specified in the order and remain effective and enforceable as provided in the order.

(13) For purposes of this act, the manner of the service of process shall be in accordance with the Michigan court rules.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060a Request for reconsideration.

Sec. 10a. (1) If an applicant for a license is dissatisfied with the order issued under section 10 by the

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commissioner, the applicant may file with the commissioner, not later than 15 days after the issuance of the order, a notice of request for reconsideration of the order together with a statement in support of the applicant's request for reconsideration and, if desired, a request for oral argument. The notice of request for a reconsideration and supporting statement shall be in writing.

(2) The issues raised in the applicant's statement shall be limited to the commissioner's findings of fact and conclusions of law set forth in the order.

(3) If the commissioner grants the request for reconsideration, not later than 10 days after the commissioner receives the statement, the commissioner shall either provide a written response to the applicant's request for reconsideration or conduct an oral argument. If the commissioner does not grant the request for reconsideration, the order shall stand.

(4) If an oral argument is conducted under subsection (3), the oral argument shall be limited to the issues raised in the applicant's statement. The commissioner shall either affirm the order or revise the order as the commissioner considers appropriate not later than 10 days after the completion of the oral argument.

(5) For purposes of this act, an application for a license and the commissioner's final decisions, findings, rulings, and orders are not contested cases within the meaning of the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(6) If the applicant considers itself aggrieved by an order of the commissioner, the applicant may appeal within 30 days from the date of the order to the Ingham county circuit court in the manner provided by the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060b Hearing; judicial review.

Sec. 10b. (1) A hearing provided for in section 10 shall be conducted in accordance with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. The hearing shall be private, unless the commissioner determines that a public hearing is necessary to protect the public interest. After the hearing and within 90 days after the commissioner has notified the parties that the case has been submitted to him or her for final decision, the commissioner shall render his or her decision, which shall include findings of fact upon which the decision is predicated and shall issue and serve upon each party to the proceeding an order consistent with this section.

(2) Any party to the proceeding, or any person required by an order issued under section 10 to cease and desist from any of the violations or practices stated in the order, may obtain a judicial review of any order served under subsection (1), other than a consent order, which review shall be exclusively as provided in the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. Unless a petition for review is timely filed as provided in that act, the commissioner, at any time, upon notice that the commissioner considers proper, may modify, terminate, or set aside the order. Upon the timely filing of a petition for review, the commissioner may modify, terminate, or set aside the order with the permission of the court.

(3) Unless specifically ordered by the court, the commencement of proceedings for judicial review under subsection (2) shall not operate as a stay of any order issued by the commissioner.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060c Enforcement of notice or order.

Sec. 10c. The commissioner may apply to the circuit court of Ingham county for the enforcement of any effective and outstanding notice or order issued under section 10 or 10a, and the court shall have jurisdiction and power to order and require compliance with the notice. Except as otherwise provided in this act, a court does not have jurisdiction to review, modify, suspend, terminate, or set aside by injunction any notice or order issued under section 10 or 10a.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060d Summary suspension; order; hearing; record.

Sec. 10d. (1) After a complaint is filed or, as applicable, an investigation or administrative action against a

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licensee is commenced under section 10, the commissioner may issue an order summarily suspending the license under section 92 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.292, supported by an affidavit from a person familiar with the facts set forth in the affidavit or, if appropriate, based upon an affidavit on information that an imminent threat of financial loss or imminent threat to the public welfare exists. The order to summarily suspend a license shall be served upon the licensee.

(2) A licensee upon which an order to summarily suspend its license has been served shall have 20 days after the date of the order by which to file with the commissioner a request for a hearing.

(3) A hearing shall be held promptly upon receipt of a request for a hearing filed by a licensee under subsection (2).

(4) A summary suspension of a license shall continue until the commissioner finds that the imminent threat of financial loss or imminent threat to the public welfare no longer exists.

(5) The record created at the hearing on the summary suspension shall become part of the record on the complaint at a subsequent hearing in a contested case.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060e Summary suspension order, cease and desist order, or injunctive relief as additional legal action.

Sec. 10e. A summary suspension order, cease and desist order, or injunctive relief issued or granted in relation to a license shall be in addition to an informal conference, criminal prosecution, or proceeding to deny, revoke, or suspend a license, or any other legal action.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2060f Investigation or examination by commissioner; complaint or action; suspension of license; request for hearing; duration of suspension.

Sec. 10f. (1) As provided in section 10(4), the commissioner may investigate or conduct an examination of any person and conduct hearings as the commissioner considers necessary to determine whether a licensee or any other person has violated this act, or whether a licensee has conducted business in a manner that would justify suspension or revocation of its license.

(2) Upon the filing of a complaint or the taking of action against a licensee under section 10(7), the commissioner may issue and serve upon a licensee an order suspending that person's license. The order shall be supported by an affidavit from a person familiar with the facts set forth in the affidavit and shall contain information that an imminent threat of financial loss or threat to the public welfare exists.

(3) Upon service of the order under subsection (2), the licensee shall have 20 days to file with the commissioner a request for a hearing. The hearing shall be scheduled within 20 days of the receipt of a request filed under this subsection.

(4) A suspension of a license under this section shall continue until the commissioner finds that the threat of financial loss or threat to the public welfare no longer exists.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002.

487.2060g Fraud or money laundering; definitions.

Sec. 10g. (1) If in the opinion of the commissioner a person has engaged in fraud or money laundering, the commissioner may serve upon that person a written notice of intention to prohibit that person from being employed by, an agent of, or control person of a licensee under this act or a licensee or registrant under a financial licensing act. (2) A notice issued under subsection (1) shall contain a statement of the facts supporting the prohibition and, except as provided under subsection (7), set a hearing to be held not more than 60 days after the date of the notice. If the person does not appear at the hearing, he or she is considered to have consented to the issuance of an order in accordance with the notice.

(3) If after a hearing held under subsection (2) the commissioner finds that any of the grounds specified in the notice have been established, the commissioner may issue an order of suspension or prohibition from being a licensee or registrant or from being employed by, an agent of, or control person of any licensee under this act or a licensee or registrant under a financial licensing act.

(4) An order issued under subsection (2) or (3) is effective upon service upon the person. The commissioner shall also serve a copy of the order upon the licensee of which the person is an employee,

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agent, or control person. The order remains in effect until it is stayed, modified, terminated, or set aside by the commissioner or a reviewing court.

(5) After 5 years from the date of an order issued under subsection (2) or (3), the person subject to the order may apply to the commissioner to terminate the order.

(6) If the commissioner considers that a person served a notice under subsection (1) poses an imminent threat of financial loss to applicants for loans, mortgage loans, secondary mortgage loans, credit card arrangements, or installment sales credit, borrowers on loans, obligors on installment sale contracts, loan servicing customers, purchasers of mortgage loans or interests in mortgage loans, or purchasers of money transmission services as defined in section 2 of the money transmission services act, the commissioner may serve upon the person an order of suspension from being employed by, an agent of, or control person of any licensee. The suspension is effective on the date the order is issued and, unless stayed by a court, remains in effect pending the completion of a review as provided under this section and the commissioner has dismissed the charges specified in the order.

(7) Unless otherwise agreed to by the commissioner and the person served with an order issued under subsection (6), the hearing required under subsection (2) to review the suspension shall be held not earlier than 5 days or later than 20 days after the date of the notice.

(8) If a person is convicted of a crime involving fraud, dishonesty, money laundering, or breach of trust, the commissioner may issue an order suspending or prohibiting that person from being a licensee and from being employed by, an agent of, or control person of any licensee under this act or a licensee or registrant under a financial licensing act. After 5 years from the date of the order, the person subject to the order may apply to the commissioner to terminate the order.

(9) The commissioner shall mail a copy of any notice or order issued under this section to the licensee of which the person subject to the notice or order is an employee, agent, or control person.

(10) As used in this section:

(a) "Fraud" includes actionable fraud, actual or constructive fraud, criminal fraud, extrinsic or intrinsic fraud, fraud in the execution, in the inducement, in fact, or in law, or any other form of fraud.

(b) "Money laundering" means conduct by 1 or more persons that conceals the existence, illegal source, or illegal application of income and then disguises that income to make it appear legitimate. Money laundering includes, but is not limited to, conduct that violates any state or federal law that imposes a criminal penalty for money laundering.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002;—Am. 2006, Act 252, Imd. Eff. July 3, 2006.

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487.2060h Hearing; decision; findings; judicial review; stay.

Sec. 10h. (1) A hearing under section 10 or 10g shall be conducted under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. Within 30 days after the commissioner has notified the parties that the case has been submitted to him or her for final decision, the commissioner shall render a decision that shall include findings of fact supporting the decision and serve upon each party to the proceeding a copy of the decision and an order consistent with the decision.

(2) Except for a consent order, a party to the proceeding, or a person affected by an order issued under section 10 or section 10g may obtain a judicial review of the order. A consent order may be reviewed as provided under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. Except for an order under judicial review, the commissioner may terminate or set aside any order. The commissioner may terminate or set aside an order under judicial review with the permission of the court.

(3) Unless ordered by the court, the commencement of proceedings for judicial review under subsection (2) does not stay the commissioner's order.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002.

487.2060i Enforcement of order; jurisdiction.

Sec. 10i. The commissioner may apply to the circuit court of Ingham county for the enforcement of any outstanding order issued under section 10, 10f, or 10g.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002.

487.2060j Violation as misdemeanor; penalty.

Sec. 10j. Any current or former executive officer, director, agent, or control person who violates a final order issued under section 10g is guilty of a misdemeanor punishable by a fine of not more than $5,000.00 or imprisonment for not more than 1 year, or both.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002.

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487.2060k Violation of order; exceptions.

Sec. 10k. A control person who is subject to an order issued under section 10g(6) and who meets all of the following requirements is not in violation of the order:

(a) The control person shall not in any manner, directly or indirectly, participate in the control of a licensee after the date the order is issued.

(b) The control person shall within 6 months after the date the order is final transfer any interest the control person owns in a licensee to an unrelated third party.

History: Add. 2002, Act 390, Imd. Eff. May 30, 2002.

487.2061 Annual schedule of fees; fees nonrefundable; action for recovery of fees or penalties; disposition of money received.

Sec. 11. (1) The commissioner shall annually establish a schedule of fees sufficient to pay in full the bureau's costs of administering this act. The fees are as follows:

(a) For an application fee, not less than $500.00 or more than $2,000.00. However, if an applicant has 1 or more licenses under the financial licensing acts, the application fee shall be not less than $100.00 or more than $700.00.

(b) For amending or reissuing a license, not less than $50.00 or more than $100.00.

(c) An annual operating fee based upon the volume and types of activities conducted by the licensee during the previous calendar year. The annual operating fee set by the commissioner under this subsection shall be based upon information in reports filed under section 15.

(d) A licensee shall pay the actual travel, lodging, and meal expenses incurred by bureau employees who travel out of state to examine the records of or investigate the licensee.

(2) Fees received under this act are not refundable, except that if an application for license is not approved, the bureau shall refund the prepaid annual operating fee.

(3) If any fees or penalties provided for in this act are not paid when required, the attorney general may maintain an action against the delinquent licensee for the recovery of the fees or penalties, together with interest and costs.

(4) Money received under this act shall be paid into the state treasury and credited to the financial institutions bureau for the operation of the bureau.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

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487.2062 Investigation of business activities; examination of books, accounts, records, and files; additional reports; audit and management letter.

Sec. 12. (1) The commissioner at any time may investigate the business activities as the commissioner considers necessary, may examine the books, accounts, records, and files used and maintained by any licensee, and may require the licensee to furnish additional reports relating to the licensee's business.

(2) The commissioner may accept an audit and management letter regarding the affairs of any licensee under this act, if made by a certified public accountant.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2063 Repealed. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: The repealed section pertained to disposition and use of money received.

487.2064 Records.

Sec. 14. (1) A licensee under this act shall maintain records relating to all transactions under this act so that the commissioner may enforce compliance with this act. Records shall be made available to the commissioner during normal business hours upon request.

(2) A licensee shall preserve and keep available for examination by the commissioner each loan document in its possession or control, including the application, credit report, employment verification, loan disclosure statement, and settlement statement, until the loan is transferred or assigned, or the expiration of 2 years after the date the loan is made, whichever occurs first.

(3) If the loan is transferred or assigned, the licensee shall preserve and keep available for examination by the commissioner, as applicable, copies of the promissory note, mortgage, truth-in-lending disclosure

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statement, and settlement statement in its possession or control for 3 years after the date the loan is transferred or assigned.

(4) Notwithstanding any other provision of this act, each licensee shall preserve and keep available for examination by the commissioner all documents pertaining to a rejected loan application for a period of time required by state or federal law.

(5) A licensee shall preserve all other books, accounts, records, documents, and files pertaining to the licensee's business and keep them available for examination by the commissioner for not less than 2 years after the conclusion of the fiscal year of the licensee in which the book, account, record, document, or file was created.

(6) The requirements of this section shall not be construed to prohibit keeping records by electronic data processing methods.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2065 Annual report; failure to file report; penalty.

Sec. 15. (1) A licensee shall annually on or before a date established by the commissioner file with the commissioner a report, on a form provided by the commissioner, stating the licensee's volume and types of business activities for the immediately preceding calendar year. The commissioner shall provide at least 30 days' advance notice of the date each report is due.

(2) The fine for failure to file a report required by this act is $25.00 for each day the report is delinquent or $1,000.00, whichever is less. Failure to file a report required by this act may result in nonrenewal of the license by the commissioner.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1992, Act 76, Imd. Eff. June 2, 1992;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2066 Conservatorship or receivership.

Sec. 16. Notwithstanding licensing under this act, if a licensee engaging in the issue or sale of checks that would otherwise be subject to the sale of checks act, 1960 PA 136, MCL 487.901 to 487.916, has refused to pay its debts in the ordinary course of business, is unable to pay its obligations generally as they become due, or has liabilities exceeding its assets or whenever it appears to the commissioner that a licensee is in an unsafe or unsound condition, the commissioner may appoint a conservator or, with the attorney general representing the commissioner, may apply to the circuit court for the county in which the licensee is located for the appointment of a receiver for the licensee. The commissioner may require of the conservator a bond and security as the commissioner considers necessary.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2066a Licensee engaged in loan servicing activities; appointment of conservator or receiver.

Sec. 16a. If the commissioner determines that a licensee engaging in loan servicing activities, intentionally or as a result of gross or wanton negligence, is not servicing, as applicable, mortgage loans or secondary mortgage loans as required by law or by the terms of the servicing contracts, the commissioner may appoint a conservator for the licensee and require the conservator to provide a bond or security as the commissioner considers necessary. Alternatively, the commissioner, through the attorney general, may apply to the circuit court for the county in which the licensee is located for the appointment of a receiver for the licensee.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2066b Powers and duties of conservator or receiver.

Sec. 16b. (1) The conservator, under the direction of the commissioner, or the receiver, subject to the approval of the appointing court, shall take possession of the books, records, and assets of the licensee and

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shall take action with respect to employees, agents, or representatives of the licensee or any other action as may be necessary to conserve the assets of the licensee, ensure payment of instruments issued by the licensee, or ensure that the mortgage loans and secondary mortgage loans are serviced as required by applicable law and the servicing contracts pending disposition of its business as provided by law. The conservator or receiver shall sue and defend, compromise, and settle all claims involving the licensee, and exercise the powers and duties as may be necessary, consistent with the laws of this state applicable to the appointment of receivers.

(2) The commissioner may appoint as conservator 1 of the employees of the bureau or some other competent and disinterested person. The bureau shall be reimbursed out of the assets of the conservatorship for all sums expended by it in connection with the conservatorship. All expenses of the conservatorship shall be paid out of the assets of the licensee, upon approval of the commissioner. The expenses shall be a first charge upon the assets and shall be fully paid before any final distribution or payment of dividends is made to creditors or shareholders.

(3) The conservator or receiver appointed under section 16 or section 16a from time to time, but in no event less frequently than once each calendar quarter, shall report to the commissioner with respect to all acts and proceedings in connection with the conservatorship or receivership.

(4) The conservator, under the direction of the commissioner, shall take sole control of all of the affairs of the licensee and the possession of the books and records of the licensee. The licensee may transfer or assign the rights to service mortgage loans or secondary mortgage loans to a person approved by the commissioner. The conservator of the licensee shall take action as may be necessary to assure that the mortgage loans and secondary mortgage loans are serviced as required by applicable law and the servicing contracts.

(5) If satisfied that it may be done safely and that it would be in the public interest, the commissioner may terminate the conservatorship established under section 16 or section 16a and permit the licensee to resume the transaction of its business subject to those terms, conditions, restrictions, and limitations as the commissioner may prescribe. Alternatively, the commissioner, in his or her discretion, may permit, under section 16 or section 16a, the licensee to continue to conduct 1 or more business activities subject to those terms, conditions, restrictions, and limitations as the commissioner may prescribe.

(6) If the commissioner determines that it would be in the public interest, the commissioner may terminate a conservatorship established under section 16 or section 16a and may apply to the circuit court for the county in which the licensee is located for the appointment of a receiver for the licensee as provided in section 16 or section 16a.

(7) Funds received for payment of the bureau's expenses incurred in connection with a conservatorship and all expenses for state supervision of conservatorships under this act shall be deposited in the state treasury and used to reimburse the bureau for expenses incurred in connection with conservatorships of licensees.

History: Add. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

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487.2067 Prohibited activities or practices.

Sec. 17. A licensee under this act shall not do any of the following:

(a) Engage in the business of a real estate broker or real estate salesperson licensed under article 25 of the occupational code, 1980 PA 299, MCL 339.2501 to 339.2518.

(b) Engage in the business of a pawnbroker licensed under 1917 PA 273, MCL 446.201 to 446.219.

(c) Engage in the business of a debt management company licensed under the debt management act, 1975 PA 148, MCL 451.411 to 451.437.

(d) Entering into a tying arrangement through which the licensee conditions the sale of 1 financial service to a consumer on the agreement by the consumer to purchase 1 or more other financial services from the licensee, an affiliate, or subsidiary of the licensee.

(e) Knowingly permit a person to violate an order that has been issued under this act or any other financial licensing act that prohibits that person from being employed by, an agent of, or a control person of the licensee.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000;—Am. 2002, Act 390, Imd. Eff. May 30, 2002.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2068 Rules.

Sec. 18. The commissioner shall promulgate rules that are necessary for the enforcement of this act in

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accordance with the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

History: 1988, Act 161, Eff. Sept. 1, 1988.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2069 Obligation of contract party not impaired or affected.

Sec. 19. This act shall not be construed to impair or affect the obligation of any party to a contract entered into under a provision of the financial licensing acts.

History: 1988, Act 161, Eff. Sept. 1, 1988;—Am. 1999, Act 275, Imd. Eff. Jan. 5, 2000.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2070 Action by person, county prosecuting attorney, or attorney general.

Sec. 20. A person, county prosecuting attorney, or the attorney general may bring an action to:

(a) Obtain a declaratory judgment that a method, act, or practice is in violation of this act.

(b) Enjoin a person who is engaging or is about to engage in a method, act, or practice which violates this act.

(c) Recover actual damages resulting from a violation of this act, or $250.00, whichever is greater, together with reasonable attorney's fees and the costs of bringing the action.

History: 1988, Act 161, Eff. Sept. 1, 1988.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2071 Effective date.

Sec. 21. This act shall take effect September 1, 1988.

History: 1988, Act 161, Eff. Sept. 1, 1988.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

487.2072 Conditional effective date.

Sec. 22. This act shall not take effect unless all of the following bills of the 84th Legislature are enacted into law:

(a) House Bill No. 5209.

(b) House Bill No. 5210.

(c) House Bill No. 5211.

(d) House Bill No. 5212.

(e) House Bill No. 5213.

(f) House Bill No. 5364.

History: 1988, Act 161, Eff. Sept. 1, 1988.

Compiler's note: The following bills, referred to in this section, were enacted into law:

House Bill No. 5209 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 162, Eff. Sept. 1, 1988.

House Bill No. 5210 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 163, Eff. Sept. 1, 1988.

House Bill No. 5211 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 164, Eff. Sept. 1, 1988.

House Bill No. 5212 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 165, Eff. Sept. 1, 1988.

House Bill No. 5213 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 166, Eff. Sept. 1, 1988.

House Bill No. 5364 was filed with the Secretary of State June 14, 1988, and became P.A. 1988, No. 159, Eff. Sept. 1, 1988.

For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

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