IN THE MATTER OF:

RTMM CONSULTING, LLC d/b/a PayDayWiz.com

RICHARD TURASKY, JR., and
JOEL VETRONO

Respondents.

BEFORE THE MARYLAND COMMISSIONER OF FINANCIAL REGULATION

Case No.: CFR-FY2010-417

SETTLEMENT AGREEMENT AND CONSENT ORDER

This Settlement Agreement and Consent Order ("Agreement") is entered into this 4th day of March, 2015, by and between the Maryland Commissioner of Financial Regulation (the “Commissioner”), and RTMM Consulting, LLC a/k/a PayDayWiz.com, Richard Turasky, Jr., and Joel Vetrono (the "Respondents"). The Commissioner and the Respondents (the "Parties") consent to the entry of this Agreement as a final resolution of the captioned case. All paragraphs below are intended to be part of the contractual obligations of the Parties hereto, and are not mere recitals to this Agreement.

1. Pursuant to the Maryland Consumer Loan Law ("MCLI.") at Md. Code Ann., Com. Law ("CL"), § 12-301 et seq. and Fin. Inst. ("FI"), § 11-201 et seq., the Commissioner is responsible for licensing and regulating persons who make consumer loans to residents of the State of Maryland (the "State").

2. Pursuant to FI § 11-204, "[u]nless a person is licensed by the Commissioner, the person may not: (1) [m]ake a loan; or (2) [i]n any way use any advantage provided by the Maryland Consumer Loan Law."
3. Pursuant to CL § 12-302, a "person may not engage in the business of making loans under this subtitle unless the person is licensed under or is exempt from the licensing requirements of Title 11, Subtitle 2 of the Financial Institutions Article, Annotated Code of Maryland, known as the Maryland Consumer Loan Law – Licensing Provisions."

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

5. Pursuant to CL § 12-313(a)(1), a lender may not "[d]irectly or indirectly contract for, charge, or receive any interest, discount, fee, fine, commission, charge, brokerage, or other consideration in excess of that permitted by this subtitle."

6. Pursuant to Maryland's Consumer Credit Reporting Agencies Law ("CCRAL"), at CL § 14-1201 et seq., the Commissioner is responsible for enforcing laws regulating consumer credit reporting. Notably, CL §§ 14-1217 and 14-1218 provide that the Commissioner has authority to conduct investigations, hold hearings, issue orders,
promulgate regulations, and otherwise enforce the provisions of the CCRAL as well as other laws regulating consumer credit reporting.

7. The Office of the Commissioner of Financial Regulation ("OCFR" or the "Agency") commenced an investigation of Respondents in June 2010, after receiving consumer complaints related to the Respondents’ lending activities with Maryland consumers. This investigation demonstrated the following:

a. That the Respondents offered consumer loans to Maryland residents via the internet between 2009 and 2011, and that the Respondents issued consumer loans to multiple Maryland residents following the consumers’ submission of on-line loan applications originating in Maryland;

b. That by offering and entering into agreements to provide consumer loans to Maryland residents, the Respondents acted as a consumer lender, and were thus subject to the licensing, investigatory, enforcement, and penalty provisions of the MCLL;

c. That none the Respondents have never heretofore been licensed as a lender authorized to make loans to Maryland residents, nor are Respondents exempt from the provisions of the MCLL;

d. That the Respondents violated the MCLL with regard to each loan that Respondents made to Maryland consumers, with Respondents’ specific violations of the MCLL including, among other things, the following with regard to each of these transactions: the Respondent engaged in unlicensed consumer lending activities, in violation of CL § 12-302 and FI § 11-204; and the Respondent charged or received interest on its loans at a rate exceeding the maximum interest rates permitted under Maryland law, in violation of CL §§ 12-306 and 12-313(a)(1); and
e. That the aforementioned violations of the MCLL constituted grounds for the Commissioner to impose sanctions on the Respondents following an administrative hearing or a waiver of such hearing.

8. Based on the Agency’s investigation, on April 8, 2013, after finding reasonable grounds to believe that the Respondents had violated various provisions of the MCLL, including those provisions indicated above, and upon determining that action under FI §§ 2-115 and 11-215(b) was appropriate, the Deputy Commissioner issued a Summary Order to Cease and Desist (“Summary Order”) against the Respondents.

9. The Respondents do not admit to any of the violations set forth above or in the Commissioner’s Summary Order, and dispute the conclusions of the Agency’s investigation, but wish to resolve these alleged violations without the need for further administrative proceedings or other legal proceedings, and to avoid the costs associated with such proceedings and any potential appeals, and therefore agree to resolve this matter fully, finally, and completely without further administrative proceedings commenced, or an administrative hearing or injunction, and further accept without condition, and fully agree to abide by, each and every term set forth in this Agreement.

10. The Commissioner desires to ensure that the Respondent fully complies with all applicable statutes, regulations, and others laws governing lending activities involving Maryland consumers and consumer credit reporting, and further wishes to avoid the costs to the taxpayers of an Exceptions hearing and any potential appeals.

11. The Respondents agree to take each and every one of the following actions in exchange for a final resolution of this matter:

a. Respondent will pay a total civil penalty of $4,000.00 (FOUR
THOUSAND DOLLARS) in the form of a Cashier’s Check made payable to the Commissioner of Financial Regulation, to be delivered to the Agency upon execution of this Agreement.

b. On or before March 15, 2015, Respondents will issue restitution to the following Maryland consumers, in the amounts specified, with the amount of restitution to be paid by the Respondents to these affected Maryland consumers totaling $515.00 (FIVE HUNDRED FIFTEEN DOLLARS):

<table>
<thead>
<tr>
<th>NAME</th>
<th>REFUND</th>
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<tbody>
<tr>
<td></td>
<td>$275.00</td>
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<tr>
<td></td>
<td>$240.00</td>
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<tr>
<td>TOTAL</td>
<td>$515.00</td>
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</tbody>
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c. The Respondents agree to forfeit and write-off the total amount of all unpaid money which the Respondents might allege is due the Respondents from Maryland consumers to whom the Respondents made any loans, and the Respondents agree that they will not sell, assign, or otherwise transfer any such unpaid accounts receivable to any third party, and that they will not attempt to collect on those unpaid accounts, directly or indirectly. The Respondents also agree that, from and after the date that this Agreement is fully executed, to the extent the Respondents receive any payment from a Maryland consumer to whom the Respondents have previously made a loan, the Respondent shall forthwith refund such payment directly to the Maryland consumer from whom such payment was received.

d. The Respondents further agree that, to the extent the Respondents have reported to any consumer credit reporting agency any delinquency or other negative
comment or remark regarding any Maryland consumer to whom the Respondents made a loan during the time the Respondents made loans to Maryland consumers, the Respondents shall remove such negative comment or remark. The Respondents further agree that, for every Maryland consumer about whom the Respondents sent any report to any consumer credit reporting agency regarding the payment of history of the consumer, the Respondents shall report to the consumer credit reporting agencies that the Maryland consumer’s loan with Respondents has been fully satisfied.

e. The Respondents shall issue refunds to the affected Maryland consumers indicated in Paragraph 11.b. above, in accordance with the following:

(1). On or before March 15, 2015, Respondents shall mail a check for the amount of money to be refunded to each consumer via First Class U.S. Mail, to each affected consumer’s last known address, or to an updated address as can be identified through customary address verification means. Each refund shall be accompanied by a letter indicating that that the refund is being issued pursuant to a Settlement Agreement between the Respondent and the Commissioner of Financial Regulation, and that the Settlement Agreement does not in any way affect the consumer’s legal rights.

(2). On or before March 30, 2015, the Respondents shall furnish evidence to the Agency that refunds were tendered by sending to the Agency a copy of the letter and check in the agreed amount sent to each affected consumer.

(3). On or before June 30, 2015, the Respondents shall furnish evidence to the Agency that the tendered refunds were received by each affected consumer by providing a copy of the front and back of the cancelled check for each refund payment that was negotiated by the affected consumer.
(4). On or before July 15, 2015, if any refund payment checks mailed by the Respondents to affected Maryland consumers in accordance with this Agreement are either not cashed or are returned to the Respondents as non-deliverable (collectively, the "Undeliverable Refunds"), such Undeliverable Refunds will escheat to the State of Maryland. In such event, the Respondents will stop payment on such undeliverable refund payment checks, and shall pay the total amount of all Undeliverable Refunds in the form of a single check made payable to the "Comptroller of Maryland," which shall be submitted to Rebecca Coleman, Assistant Attorney General, Office of the Attorney General, Department of Labor Licensing and Regulation, 500 N. Calvert Street, Suite 406, Baltimore, Maryland, 21202, copy to the Agency, both of which shall be accompanied by a spreadsheet with the following additional information for each Undeliverable Refund: the social security number of the consumer (if known), the date of birth of the consumer (if known), the date on which each refund check was mailed, and an indication of whether the refund check was either not cashed or was returned to the Respondents as non-deliverable. Such action on the part of the Respondents shall relieve the Respondents of any further obligation to make refunds to the affected consumers pursuant to this Agreement.

(5). The Respondents shall not seek releases from consumers in conjunction with these refunds.

g. The Respondents, as well as the owners, directors, officers, members, partners, managers, employees, and agents of the Respondents, agree not to offer or provide advances to Maryland residents, or to otherwise engage in consumer lending activities in Maryland or involving Maryland residents, without first becoming licensed by the Commissioner as a consumer lender subject to the Maryland Consumer Loan Law.
12. Respondents acknowledge that they have voluntarily entered into this Agreement with full knowledge of their right to a hearing pursuant to FI § 2-115 (a)(1), pursuant to the Maryland Administrative Procedures Act – Contested Cases, Md. Code Ann., State Gov’t. (“SG”), § 10-201 et seq., and pursuant to COMAR 09.01.03.09, and that Respondents hereby waive their right to a hearing. Respondents further acknowledge that they have had an opportunity to consult with independent legal counsel in connection with their waiver of rights and with the negotiation and execution of this Agreement, and that the Respondent have either consulted with independent legal counsel or have knowingly and voluntarily elected not to consult with counsel.

13. Respondents represent the following: that they have stopped making loans to Maryland consumers in accordance with the Summary Order; that they have stopped third party collections on all loans previously made to Maryland consumers; that they are currently in compliance with all applicable statutes, regulations, and others laws governing the making of loans to Maryland consumers; and that they will continue to act in compliance at all future times. The Respondents further agree that they will not offer or provide loans to Maryland consumers without first complying with all applicable statutes, regulations, orders, and other provisions of Maryland law which govern lending activities with Maryland consumers, including but not limited to the Maryland Consumer Loan Law.

14. The Parties hereto agree that this Agreement shall be binding upon the Parties and enforceable in a court of competent jurisdiction by the Commissioner and by the Respondents, shall be admissible in court, if relevant, and shall be binding upon and inure to any of the Respondents’ present and future owners, principals, directors, officers, members, partners, managers, agents, successors, and assigns.
15. The Parties hereto acknowledge that this Agreement does not in any way relate to, impact, or otherwise affect the legal rights of, or preclude the Commissioner from bringing or continuing actions against, persons not Parties to this Agreement, except as set forth in Paragraph 16 below.

16. The Commissioner agrees that he will not bring an enforcement action of any kind against the Respondents or against any of their past, present or future members, principals, officers, managers, agents, employees, successors, or assigns, for any conduct arising out of or related to Respondents lending activities with Maryland consumers prior to the date this Agreement is fully executed, related to the investigation referred to in the Summary Order or otherwise covered by this Agreement.

18. The Parties hereto agree that they shall not disparage or undermine this Agreement in any way.

19. The Parties hereto agree that any notices hereunder shall be effectively “delivered” when sent via overnight delivery or certified mail as follows:

a. To the Commissioner:
   Commissioner of Financial Regulation
   500 North Calvert Street, Suite 402
   Baltimore, Maryland 21202-3651
   Attn: Gordon M. Cooley, Acting Commissioner

Copy to:

Rebecca J Coleman, Assistant Attorney General
Office of the Attorney General
Department of Labor, Licensing, and Regulation
500 North Calvert Street, Suite 406
Baltimore, Maryland 21202-3651

b. To Respondents:
   Richard Turasky
   P.O. Box 253
NOW, THEREFORE, it is, by the Maryland Commissioner of Financial Regulation, hereby

ORDERED that Matthew Martorello and Joel Vetrano are dismissed from this action; and it is further

ORDERED that this Agreement fully supersedes the Summary Order to Cease and Desist and Order to Produce issued to Respondents on April 8, 2013 (the “Summary Order”), and said Summary Order is no longer in effect as of the date this Agreement is fully executed; and it is further

ORDERED that the Respondents shall adhere to all terms of this Settlement Agreement; and it is further

ORDERED that, in the event the Respondents, or any of the owners, directors, officers, members, partners, managers, employees, or agents of the Respondents, violate any provision of this Settlement Agreement, the Maryland Consumer Loan Law, or any other State law or regulation applicable to lending in Maryland, the Commissioner may, at the Commissioner’s discretion, take any enforcement actions available under FI § 2-115 and/or under the Maryland Consumer Loan Law, as well as take any other enforcement actions as permitted by, and in accordance with, applicable State law; and it is further

ORDERED, that this matter shall be resolved in accordance with the terms of this Settlement Agreement and the same shall be reflected among the records of the Office of the Commissioner of Financial Regulation; and it is further

ORDERED that this document shall constitute a Final Order of the Maryland Commissioner of Financial Regulation, and that the Commissioner may consider this
Agreement and the facts set forth herein in connection with, and in deciding, any action brought by or proceeding before the Commissioner; and that this Agreement may, if relevant, be admitted into evidence in any matter brought by or proceeding before the Commissioner.

It is so ORDERED.

IN WITNESS WHEREOF, this Settlement Agreement and Consent Order is executed on the day and year first above written.

MARYLAND COMMISSIONER OF
FINANCIAL REGULATION

By: [Signature]
Gordon M. Cooley
Acting Commissioner

RTMM CONSULTING, LLC

By: [Signature]
Richard Turasky, Jr.
Managing Member

RICHARD TURASKY, JR.

By: [Signature]
Richard Turasky, Jr.
Individually