In re the Matter of:

State of New Hampshire Banking

Department,

Petitioner,

Order to Show Cause and Desist

and

The VIP Loan Shop (d/b/a

www.theviploanshop.com and

www.theviploanshop.net, a/k/a VIP PDL

Services, LLC, a/k/a PDL Services,

LLC, a/k/a SCS Processing LLC, and

a/k/a Everest Cash Advance),

Respondent

## NOTICE OF ORDER TO SHOW CAUSE AND CEASE AND DESIST ("ORDER")

- 1. This Order commences an adjudicative proceeding under the provisions of RSA Chapter 399-A (including RSA 399-A:7,I and II, RSA 399-A:8,I and RSA 399-A:16,IV) and RSA Chapter 541-A.
- 2. The Commissioner may impose administrative penalties of up to \$2,500.00 for each violation. RSA 399-A:18,V and VI.

#### RESPONDENT

3. The VIP Loan Shop (d/b/a www.theviploanshop.com and www.theviploanshop.net, a/k/a VIP PDL Services, LLC, a/k/a PDL Services, LLC, a/k/a SCS Processing LLC, and a/k/a Everest Cash Advance) ("Respondent VIP Loan") is an online company located in Nevis, West Indies. The Better Business Bureau has Respondent VIP Loan located in Summerville, South Carolina; Overland Park, Kansas; and Kansas City, Missouri. Respondent VIP

- Loan is not registered with the New Hampshire Secretary of State. Respondent VIP Loan is a "Person." RSA 399-A:1,XII.
- 4. The New Hampshire Banking Department ("Department") records indicate
  Respondent VIP Loan has never held a Payday or Small Loan Lender license
  with the Department.

### RIGHT TO REQUEST A HEARING

- 5. Respondent has a right to request a hearing on this Order. A hearing shall be held not later than ten (10) days after the Commissioner receives the Respondent's written request for a hearing. Respondent may request a hearing and waive the ten (10) day hearing requirement. The hearing shall comply with RSA Chapter 541-A. RSA 399-A:7 and RSA 399-A:8.
- 6. If any person fails to request a hearing within thirty (30) days of receiving this Order, then such person shall be deemed in default, and the Order shall, on the thirty-first (31st) day, become permanent, all allegations may be deemed true, and shall remain in full force and effect until modified or vacated by the Commissioner for good cause shown. RSA 399-A:7 and RSA 399-A:8.
- 18 7. A default may result in administrative fines as described in Paragraph
  19 2 above.

## STATEMENT OF ALLEGATIONS

#### | Consumer A:

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- 8. On October 1, 2010 the Department received a complaint from a New Hampshire consumer ("Consumer A") against Respondent concerning a payday or
- 24 | small loan.
- 25 | 9. On July 14, 2010, Respondent issued Consumer A the payday or small

- 1 | loan in the amount of \$400.00, in violation of RSA 399-A:2,I.
- 2 | 10. Respondent deducted \$540.00 from Consumer A's bank account over the
- 3 course of 2 months in violation of RSA 399-A:11,XI and RSA 399-A:13,I.
- 4 | Consumer A should be entitled to a refund of \$140.00, the amount over the
- 5 | \$400.00 originally borrowed.

#### | Consumer B:

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- 7 | 11. On December 21, 2010 the Department received a complaint from a New
- 8 | Hampshire consumer ("Consumer B") against Respondent concerning a payday or
- 9 | small loan.
- 10 | 12. On June 29, 2010, Respondent issued Consumer B the payday or small
- 11 | loan in the amount of \$400.00, in violation of RSA 399-A:2,I.
- 12 | 13. Respondent deducted \$840.00 from Consumer B's bank account over the
- 13 course of 3 months in violation of RSA 399-A:11,XI and RSA 399-A:13,I.
- 14 | Consumer B should be entitled to a refund of \$440.00, the amount over the
- 15 | \$400.00 originally borrowed.

#### 16 | Consumer C:

- 17 | 14. On December 23, 2010 the Department received a complaint from a New
- 18 | Hampshire consumer ("Consumer C") against Respondent concerning a payday or
- 19 | small loan.

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- 20 | 15. Respondent issued Consumer C the payday or small loan in the amount of
- 21 | \$400.00, in violation of RSA 399-A:2,I.

# Correspondence:

- 23 | 16. On August 25, 2011, the Department sent a letter via U.S. Registered
- 24 | International Mail return receipt requested to Respondent at the Nevis, West
- 25 | Indies address suggesting it apply for licensure with the Department,

1	requesting documentation regarding New Hampshire consumer activity, and
2	resolution of the consumer complaints. The Department has not received the
3	letter back from the U.S. Post Office. The Department has not received a
4	response from the Respondent.
5	17. On August 25, 2011, the Department sent a letter via U.S. Certified
6	Mail return receipt requested to Respondent at the Overland Park, Kansas
7	address suggesting it apply for licensure with the Department, requesting
8	documentation regarding New Hampshire consumer activity, and resolution of
9	the consumer complaints. The correspondence was received by the Respondent
10	on September 1, 2011. The Department has not received a response from the
11	Respondent.
12	18. To date, Respondent VIP Loan has an active website and has not
13	specifically excluded New Hampshire from the states in which it offers
14	payday or small loans.
15	19. To date, Respondent VIP Loan has failed to provide the Department with
16	the requested documentation in violation of RSA 399-A:10,II.
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18	/S/ September 23, 2011

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Date

Ryan McFarland Hearings Examiner

- 20. I hereby find as follows:
- Pursuant to RSA 399-A:7,I and II, the facts as alleged above, if true, show Respondent is operating or has operated in violation of RSA Chapter 399-A and form the legal basis for this Order;

ORDER

Pursuant to 399-A:16, VI, this Order is necessary and appropriate b.

- c. The Department finds pursuant to RSA 399-A:8,I, reasonable cause to issue an order to cease and desist; and
- d. Pursuant to RSA 399-A:7,I and II and RSA 399-A:8,I, if Respondent fails to respond to this Order and/or defaults then all facts as alleged herein are deemed as true.

## 21. Accordingly, it is hereby ORDERED that:

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- a. Respondent shall cease and desist from violating RSA Chapter 399-A and rules or orders thereunder;
- b. Respondent shall immediately provide the Department a list of all New Hampshire consumers for whom Respondent has given payday or small loans and a status of those accounts. This list must include the names and contact information of the New Hampshire consumers, along with monies charged, collected and waived (if applicable). The list shall also be accompanied by all contracts, checks to and from the consumer and any other documents in the New Hampshire consumers' files;
- c. Respondent shall show cause why the Commissioner should not enter an order of rescission, restitution, or disgorgement of profits, including at a minimum restitution of \$140.00 (for Consumer A), \$440.00 (for Consumer B), and restitution for Consumer C if applicable;
- d. Respondent shall show cause why an administrative fine of up to a maximum of \$2,500.00 per violation should not be imposed as follows:

## (1). Respondent VIP Loan:

Violation #1: Unlicensed payday or small loan activity

1	(RSA 399-A:2,I) - 3 counts;
2	Violation #2: Charging additional fees on a loan (RSA 399-
3	A:11,XI)) - 3 counts;
4	Violation #3: Charging additional fees on a loan (RSA 399-
5	A:13,I) - 3 counts;
6	Violation #4: Failure to provide requested documents (RSA
7	399-A:10,II) - 1 count;
8	e. Nothing in this Order:
9	(1). shall prevent the Department from taking any further
LO	administrative and legal action as necessary under New Hampshire law; and
11	(2). shall prevent the New Hampshire Office of the Attorney
12	General from bringing an action against the above named Respondent in any
L3	New Hampshire superior court, with or without prior administrative action by
14	the Commissioner.
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16	SO ORDERED.
L7	/S/ Dated: September 26, 2011 RONALD A. WILBUR
18	BANK COMMISSIONER
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