

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 25, 2010

CLERK'S OFFICE  
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COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

DOCUMENT CONTROL  
CASE NO. BFI-2009-00344

*Ex Parte:* In the matter of adopting  
rules for the conduct of other business  
in payday lending offices

ORDER ON RECONSIDERATION

On December 29, 2009, the State Corporation Commission ("Commission") issued an Order Adopting a Regulation in this matter. Thereafter, on January 19, 2010, F & L Marketing Enterprises, LLC d/b/a Cash-2-U Payday Loans ("F & L Marketing Enterprises") filed a Motion to Reconsider and to Delay the Effective Date of a Regulation until July 1, 2010 ("Motion"). In its Motion, F & L Marketing Enterprises requested that the Commission reconsider and delay the effective date of the amended regulation until July 1, 2010. In support of its Motion, F & L Marketing Enterprises stated that the February 1, 2010 effective date (i) does not leave adequate time for affected parties to implement the required changes affecting motor vehicle title lending in an orderly manner, and (ii) will result in a disruption of motor vehicle title loan services available to customers. On January 19, 2010, the Commission issued an Order Granting Reconsideration for the purpose of continuing our jurisdiction over this matter and considering the merits of the Motion.

NOW THE COMMISSION, upon consideration of the Motion and the record in this proceeding, is of the opinion and finds that companies currently engaged in open-end auto title lending business from one or more payday lending offices pursuant to a prior Commission

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approval order should be given some additional time to comply with the two additional conditions set forth in subdivisions F 6 and F 7 of 10 VAC 5-200-100. However, we are not persuaded by the Motion or the affidavit that was attached thereto that F & L Marketing Enterprises needs an additional five months to implement these two conditions. Furthermore, we do not believe that it is either necessary or appropriate to extend the effective date of the amended regulation, which would impact a multitude of other provisions that are unrelated to auto title lending, in order to accommodate the concerns raised in the Motion. Accordingly, we believe it is reasonable and in the public interest to give licensees and third parties who are currently offering open-end auto title loans from payday lending offices pursuant to a prior Commission approval order until March 1, 2010, to comply with the conditions set forth in subdivisions F 6 and F 7 of 10 VAC 5-200-100.

Accordingly, IT IS ORDERED THAT:

(1) F & L Marketing Enterprises' Motion is granted in part. The effective date of the amended regulation shall remain February 1, 2010, but licensees and third parties who are currently offering open-end auto title loans from payday lending offices pursuant to a prior Commission approval order shall have until March 1, 2010, to comply with the conditions set forth in subdivisions F 6 and F 7 of 10 VAC 5-200-100.

(2) This case is dismissed.

(3) The papers filed herein shall be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Roy A. Hutcheson, Jr., Vice President, Title Cash of Virginia Inc., 513 Sparkman Drive, N.W., Suite C, Huntsville, Alabama 35801; Patricia Dauterman, Director of Employee Development & Compliance, Approved Cash Advance Centers (Virginia), LLC d/b/a Approved Cash Advance,

P.O. Box 2038, Cleveland, Tennessee 37320-2038; Carla Stone Witzel, Gordon, Feinblatt, Rothman, Hoffberger & Hollander, LLC, 233 East Redwood Street, Baltimore, Maryland 21202-3332; Jennifer Johnson, Senior Legislative Council, Center for Responsible Lending, P.O. Box 3638, Durham, North Carolina 27702-3638; James W. Speer, Executive Director, Virginia Poverty Law Center, 700 East Franklin Street, Suite 14T1, Richmond, Virginia 23219; Helen O'Beirne, Housing Opportunities Made Equal of Virginia, Inc., 700 East Franklin Street, Suite 3A, Richmond, Virginia 23219; David W. Clarke, Eckert Seamans, 707 East Main Street, Suite 1450, Richmond, Virginia 23219; Tommy Moore, Executive Vice President, Community Financial Services Association of America, 515 King Street, Suite 300, Alexandria, Virginia 22314-3137; Douglas W. Densmore, P.O. Box 40013, Roanoke, Virginia 24022-0013; Theodore F. Adams, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia 23219-4030; and to the Commissioner of Financial Institutions, who shall mail a copy of this Order to all licensed payday lenders and other interested parties designated by the Bureau of Financial Institutions.