

1 State of New Hampshire Banking Department

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3 In re the Matter of:) Case No.: 09-130
)
 4 State of New Hampshire Banking)
)
 5 Department,)
) Default Judgment: CashForce USA, Inc.
 6 Petitioner) and Michael Melody only.
)
 7 and) Judgment in Favor of Courtney Carey.
)
 8 CashForce USA Inc., Michael Melody,)
)
 9 and Courtney Carey,)
)
 10 Respondents)
)

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12 I. PROCEDURAL CASE HISTORY

13 On June 21, 2011, an adjudicative hearing was held before Presiding
14 Officer Stephen J. Judge ("Presiding Officer") at the New Hampshire Banking
15 Department ("Department"). Respondent Courtney Carey was served with an Order
16 to Show Cause and defaulted on May 10, 2010. At the hearing, the Department
17 requested that all claims against Respondent Carey be dismissed. This request
18 is GRANTED.

19 Respondents CashForce USA, Inc. and Michael Melody ("Respondents")
20 filed a Request for Hearing and were served with a Notice of Hearing.
21 Respondents did not file pre-marked exhibits and/or list of witnesses by the
22 deadline. Administrative Rules Jus. 811.03.

23 Respondents did not appear at the hearing in person or by
24 representative. Pursuant to Administrative Rule Jus. 810.02(b), the Presiding
25 Officer heard testimony and received evidence from the Department. As

1 provided by the same rule, the Respondents were declared to be in default.

2 The activities which are the subject of the Order to Show Cause
3 occurred in 2008 and 2009. As a result, the laws in effect in 2008 and 2009
4 are applied in this order.

5 **II. ALLEGATIONS**

6 The Notice of Hearing dated May 25, 2011, contains allegations listed
7 in alphabetical order. Allegations a through l are listed against Respondent
8 CashForce USA. The Department requested dismissal of counts c, e, f, g, j,
9 and k. The Request was GRANTED. Counts a, b, d, h and l remain.

10 Allegations a through l are listed against Respondent Michael Melody.
11 At the hearing, the Department requested dismissals of counts b, c, e, f, g,
12 i, j and k. The request was GRANTED. Counts a, d, h, and l remain.

13 With the exception of Count b, all other remaining counts identified
14 above are identical and will be considered against both Respondents.

15 **Count a**

16 On August 11, 2009, the Commissioner issued an Order prohibiting
17 Respondents from using a certain open-ended line of credit product (the
18 "product"). The Respondents received this Order. The Annual Percentage Rate
19 ("APR") for the product was between 415% and 462%, in violation of RSA
20 Chapter 399-A. Despite the Order, the Department has produced evidence that
21 seventy-six (76) consumers were charged an excessive APR between September
22 24, 2009 and November 16, 2009. The Department's evidence establishes that
23 the Respondents knowingly violated RSA 399-A:18, III on 76 occasions. The
24 Department has proven Count a against Respondents CashForce USA, Inc. and
25 Michael Melody.

1 Count b

2 The same evidence also established 76 unethical or dishonest business
3 practices by Respondent CashForce USA, Inc. in violation RSA 399-A:7, I (h).
4 The Department has proven Count b against Respondent CashForce USA, Inc.

5 Count d

6 On January 12, 2010, the Department issued an examination invoice for
7 \$5,010.00. The Department is authorized to recover costs pursuant to RSA 399-
8 A:10, V. The costs have not been paid. The Department has proven Count d
9 against Respondents CashForce USA, Inc. and Michael Melody.

10 Count h

11 The testimony at the hearing established that the Respondents provided
12 inaccurate numbers to the Department in the 2008 Annual Report. This
13 constitutes making a false or misleading statement to the Commissioner. The
14 Department has proven Count h against Respondents CashForce USA, Inc. and
15 Michael Melody.

16 Count l

17 The Respondents' physical license, and more importantly, the required
18 paperwork, was not returned to the Department in a timely manner. The
19 Department has proven Count l against Respondents CashForce USA, Inc. and
20 Michael Melody.

21 III. FINES

- 22 1. Count a - Respondents are fined \$2,500.00 per count. There are 76 counts.
23 The total amount of the fine is \$190,000.00. Respondents CashForce USA,
24 Inc. and Michael Melody are jointly and severally liable for Count a.
25 2. Count b - Respondent CashForce USA, Inc. is fined \$2,500.00 per count.

