

**STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL & PROFESSIONAL REGULATION
DIVISION OF FINANCIAL INSTITUTIONS**

In the Matter of)
Goldline Funding Group, LLC) No. 13 CC 515
d/b/a GreenSight Funding Group)
)

To: Goldline Funding Group, LLC GreenSight Funding Group
2108 West 75th Street 3511 Silverside Road
Prairie Village, KS 66208 Suite 105
Wilmington, DE 19810

CEASE AND DESIST ORDER

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF FINANCIAL INSTITUTIONS (“Department”), is statutorily charged with administration of the Payday Loan Reform Act, 815 ILCS 1205/1 et seq., and the Consumer Installment Loan Act, 205 ILCS 670/1 et seq. Based upon its review of Goldline Funding Group, LLC d/b/a GreenSight Funding Group’s (“GreenSight”) activities in the state of Illinois, the Department hereby issues the following CEAST AND DESIST ORDER as a result of the findings alleged herein:

STATUTORY PROVISIONS

A. Payday Loan Reform Act (“PLRA”)

1. Section 1-15(a) of PLRA states, in part:

[T]his Act applies to any lender that offers or makes a payday loan to a consumer in Illinois. 815 ILCS 122/§1-15(a).

2. Section 1-10 of PLRA states, in part:

“Lender” and “licensee” mean any person or entity, including any affiliate or subsidiary of a lender or licensee, that offers or makes a payday loan, buys a whole or partial interest in a payday loan, arranges a payday loan for a third party, or acts as an agent for a third party in making a payday loan, regardless of whether approval, acceptance, or ratification by the third party is necessary to create a legal obligation for the third party, and includes any other person or entity if the Department determines that the person or entity is engaged in a transaction that is in substance a disguised payday loan or a subterfuge for the purpose of avoiding this Act. 815 ILCS 122/§1-10.

3. Section 3-3(a) of the PLRA states, in part:

[A] person or entity acting as a payday lender must be licensed by the Department as provided in this Article. 815 ILCS 122/§3-3(a).

4. Section 4-10(e) of the PLRA states, in part:

The Secretary [of the Department] may issue a cease and desist order to any licensee or other person doing business without the required license, when in the opinion of the Secretary the licensee or other person is violating or is about to violate any provision of this Act or any rule or requirement imposed in writing by the Department as a condition of granting any authorization permitted by this Act. 815 ILCS 122/§4-10(e).

5. Section 4-10(h) of the PLRA states, in part:

No Duty For Consumers To Repay PLRA Loans

Notwithstanding any other provision of this Section, if a lender who does not have a license issued under this Act makes a loan pursuant to this Act to an Illinois consumer, then the loan shall be *null and void* and the lender who made the loan shall have no right to collect, receive, or retain any principal, interest, or charges related to the loan. 815 ILCS 122/§4-10(h) (emphasis added).

B. Consumer Installment Loan Act (“CILA”)

6. Section 1 of the CILA states, in part:

License required to engage in business. No person, partnership, association, limited liability company, or corporation shall engage in the business of making loans of money in a principal amount not exceeding \$40,000, and charge, contract for, or receive on any such loan a greater rate of interest, discount, or consideration therefor than the lender would be permitted by law to charge if he were not a licensee hereunder, except as authorized by this Act after first obtaining a license from the Director of Financial Institutions (hereinafter called the Director). 205 ILCS 670/§1.

7. Section 20.5(a) of the CILA states, in part:

The Director may issue a cease and desist order to any licensee, or other person doing business without the required license, when in the opinion of the Director, the licensee, or other person, is violating or is about to violate any provision of this Act or any rule or requirement imposed in writing by the Department as a condition of granting any authorization permitted by this Act. 205 ILCS 670/§20.5(a).

8. Section 20.5(b) of the CILA states, in part:

The Director may issue a cease and desist order prior to a hearing. 205 ILCS 670/§20.5(b).

9. Section 20.5(h) of the CILA states, in part:

The powers vested in the Director by this Section are additional to any and all other powers and remedies vested in the Director by law, and nothing in this Section shall be construed as requiring that the Director shall employ the power conferred in this Section instead of or as a condition precedent to the exercise of any other power or remedy vested in the Director. 205 ILCS 670/§20.5(h).

10. Section 20(d) of the CILA states, in part:

No Duty For Consumers To Repay CILA Loans

Notwithstanding any other provision of this Section, if any person who does not have a license issued under this Act makes a loan pursuant to this Act to an Illinois consumer, then the loan shall be *null and void* and the person who made the loan shall have no right to collect, receive, or retain any principal, interest, or charges related to the loan. 205 ILCS 670/§20(d) (emphasis added).

C. Financial Institutions Code (“FIC”)

11. Section 4(d) of FIC states, in part:

“Financial institution” means . . . persons engaged in the business of making loans of \$800 or less, all as respectively defined in the laws referred to in Section 6 of this Act. 20 ILCS 1205/§4(d).

12. Section 18 of the FIC states, in part:

The Director shall have the power to administer oaths, subpoena witnesses and compel the production of books and papers pertinent to any investigation or hearing regarding the operation of any financial institution. Any person who fails to appear in response to a subpoena or to answer any question or produce any books and papers pertinent to such investigation or hearing, or who knowingly gives false testimony therein, is guilty of a Class A Misdemeanor. 20 ILCS 1205/§18.

FACTUAL FINDINGS

13. At all relevant times, GreenSight is and has been a foreign entity doing business in the state of Illinois with its principal place of business located at: 3511 Silverside Road, Suite 105, Wilmington, DE, 19810.
14. A search of the Illinois Secretary of State’s Corporations/LLC database revealed that GreenSight is not authorized to transact business in Illinois. *See* attached Exhibit A.

15. On or about September 10, 2013, the Department received a complaint from an Illinois consumer regarding GreenSight's lending activities.
16. An investigation revealed that on or about July 29, 2013, GreenSight engaged in the business of making a \$400.00 PLRA and CILA loan to an Illinois consumer.
17. On or about September 2013, GreenSight solicited and accepted PLRA loans from Illinois consumers through its website www.greensightfunds.com.
18. On or about September 2013, GreenSight made CILA loans to Illinois consumers through its website, www.greensightfunds.com.
19. GreenSight has never been licensed by the Department to offer, make, or arrange PLRA loans to Illinois consumers.
20. GreenSight has never been licensed by the Department to make CILA loans to Illinois consumers.

LEGAL FINDINGS

21. GreenSight violated Section 1 of the PLRA by offering, making, or arranging PLRA loans to consumers without first applying for, and obtaining, the required license from the Department.
22. GreenSight violated Section 1 of the CILA by making CILA loans to consumers without first applying for, and obtaining, the required license from the Department.

No Duty For Consumers To Repay PLRA Loans

23. Pursuant to Section 4 of the PLRA, all GreenSight loans to Illinois consumers since January 1, 2013 are null and void, and GreenSight has no right to collect, receive, or retain any principal, interest, or charges related to the loan.

No Duty For Consumer To Repay CILA Loans

24. Pursuant to Section 20 of the CILA, all GreenSight CILA loans to Illinois consumers since January 1, 2013 are null and void, and GreenSight has no right to collect, receive, or retain any principal, interest, or charges related to the loan.

NOW IT IS HEREBY ORDERED:

- I. Pursuant to Section 4-10(e) of the Payday Loan Reform Act, GreenSight shall immediately **CEASE AND DESIST** offering, making, or arranging PLRA loans to consumers in Illinois.

- II. Pursuant to Section 4-10(h) of the Payday Loan Reform Act, GreenSight shall immediately **CEASE AND DESIST** collecting on any and all PLRA loans entered into on or after January 1, 2013.
- III. Pursuant to Section 20.5 of the Consumer Installment Loan Act, GreenSight shall immediately **CEASE AND DESIST** making CILA loans to consumers in Illinois.
- IV. Pursuant to Section 20(d) of the Consumer Installment Loan Act, GreenSight shall immediately **CEASE AND DESIST** collecting on any and all CILA loans entered into with Illinois consumers on or after January 1, 2013.
- V. Pursuant to Section 18 of the Financial Institutions Code, GreenSight is ordered to **PRODUCE DOCUMENTS** to the Department consisting of any and all records, files, account statements, communications, and documents containing information relevant to the accounts of all active and inactive Illinois consumers. GreenSight shall provide copies of all print and electronic advertising, mailings, fliers, email communications, website pages, and any other type of solicitation or advertisement that GreenSight is using or has used to solicit consumers in Illinois. GreenSight shall provide documents describing their corporate structure. All documents requested pursuant to this paragraph shall be produced by **December 30, 2013** and delivered to the Consumer Credit Supervisor at the Illinois Department of Financial and Professional Regulation, Division of Financial Institutions, 100 W. Randolph Street, 9th Floor, Chicago, IL 60601.

Pursuant to Section 4-10(e) of the PLRA and Section 20.5(c) of the CILA, notice shall be made either personally or by certified mail. Service by certified mail shall be deemed completed when the notice is deposited in the U.S. mail. GreenSight may request, in writing, a hearing on the Order within 15 days after the date of service.

Dated this 12th day of December 2013

Francisco Menchaca, Acting Director
Illinois Department of Financial and Professional Regulation
Division of Financial Institutions