



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Benjamin M. Lawsky
Superintendent

FROM: Benjamin M. Lawsky, Superintendent of Financial Services
RE: Letter to All Debt Collectors Operating in the State of New York

The Department of Financial Services recently sent letters to 35 payday loan companies directing them to cease and desist offering and making usurious payday loans in New York via the Internet or by other means. The Department's ongoing investigation has shown that these companies have charged New York consumers for payday loans with interest rates many times the legal limit. Persons and entities collecting on debts in New York should not attempt to collect on payday loan debts from these 35 companies unless they confirm that the original transactions creating the debts were not usurious.

Debt collectors are reminded that subject to the provisions of General Obligations Law § 5-511, loans offered in New York by non-bank lenders, with an interest rate above the statutory maximums, including payday loans, are void and unenforceable. Attempts to collect on debts that are void or unenforceable violate General Business Law § 601(8) and 15 U.S.C. §§ 1692e(2) and 1692f(1) of the Fair Debt Collection Practices Act.

Payday loans are short-term loans, typically an advance on a future paycheck or other income source. In New York, under General Obligations Law § 5-501 and Banking Law § 14-a, loans or forbearances under \$250,000, made by non-bank lenders, with an interest rate exceeding 16 percent per annum, constitute civil usury and are illegal. Further, under New York Penal Law §§ 190.40-42, loans made in New York with an interest rate exceeding 25 percent per annum constitute criminal usury.

The Department of Financial Services will aggressively enforce the law against any person or entity attempting to collect debts on illegal payday loans made to New York consumers on behalf of the following companies:

ABJT Funding, LLC d/b/a Dollar Premier
Advance Me Today
American Web Loans
Archer Direct, LLC
Bayside Loans
BD PDL Services, LLC d/b/a Bottom Dollar Payday
Blue Sky Finance, LLC d/b/a ExtraFunds Cash
BS Financial Group Inc. d/b/a Payday Accelerated
Cash Jar
Cash Yes
Discount Advances

DMA Financial Corp. d/b/a VIP Q-Loot
Eastside Lenders, LLC
Fast Cash Personal Loans
Golden Valley Lending
Government Employees Credit Center, Inc. d/b/a Cash Direct Express
Great Plains Lending, LLC
Horizon Opportunities, LLC d/b/a/ Lifestyle Services
Loan Point USA Online
MNE Services, Inc. d/b/a AmeriLoan, UnitedCashLoans, US Fast Cash, 500 Fast Cash
MobiLoans, LLC
MyCashNow
National Opportunities Unlimited, Inc. d/b/a Itsmypayday.com
Northway Broker Ltd. d/b/a Zip19
PayDayMax Ltd.
Peak 3 Holding, LLC d/b/a iCashLoans
Plain Green, LLC
Red Rock Tribal Lending, LLC d/b/a CastlePayday.com
SCS Processing d/b/a Everest Cash Advance
SFS, Inc. d/b/a One Click Cash, Preferred Cash Loans
Sonic Cash
Sure Advance, LLC
Tribal Credit Line d/b/a Quick Credit 911
United Consumer Financial Services, Inc. d/b/a EZPaydayCash
Western Sky Financial, LLC

Thank you for your attention to this serious matter.