

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2013-AH-0217

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

ORDER TO SHOW CAUSE TO CEASE AND DESIST

M.H. PILLARS d/b/a PAYZA

RESPONDENT

* * * * *

Comes now the Commonwealth of Kentucky, by and through the Commissioner of the Department of Financial Institutions (hereinafter "DFI"), pursuant to KRS 286.11-043, and hereby enters this Order directing Respondent, M.H. Pillars d/b/a Payza (hereinafter "Respondent") to Show Cause why the Commissioner should not enter a final order directing Respondent to cease and desist from violating the Kentucky Money Transmitters Act of 2006, to pay fines and to make restitution to consumers. The basis for this Order is as follows:

1. DFI is the agency of the Commonwealth of Kentucky charged with enforcement of the provisions of the Kentucky Money Transmitters Act of 2006, KRS 286.11, and the rules and regulations enacted thereunder. This Order is entered in the public interest.
2. Upon information and belief, Respondent is a corporation with a principal office located at 1221 Avenue of the Americas, 42 Floor, New York, NY 10020.
3. Respondent was previously a registered agent of Obopay, Inc., a Kentucky licensed money transmitter.

4. According to information obtained by DFI, Respondent violated KRS 286.11-035 by not abiding by the required provisions in the agency agreement.
5. According to information obtained by DFI, Respondent violated KRS 286.11-037 by making fraudulent statements and misrepresentations to Obopay, Inc. and by acting outside the authorization provided in the agency agreement with Obopay, Inc.
6. According to information obtained by DFI, the agency agreement between Obopay, Inc. and the Respondent was terminated on June 3, 2013.
7. Since the termination of the agency agreement on June 3, 2013, the Respondent has engaged in unlicensed money transmission activities in the Commonwealth of Kentucky in violation of KRS 286.11-005. KRS 286.11-005 states that it is unlawful for a person to engage in the business of money transmission in the Commonwealth of Kentucky without a license.
8. The Commissioner has reason to believe that the Respondent continues to engage in unlicensed money transmission in the Commonwealth of Kentucky.

ORDER

Accordingly, the Respondent, M.H. Pillars d/b/a Payza, is ORDERED to show cause why the Commissioner should not enter a final order, pursuant to KRS 286.11-043, directing the Respondent to cease and desist from violating the Kentucky Money Transmitters Act of 2006, to pay fines, and to make restitution to consumers within ten (10) days from the service of this Order upon the Respondent. Respondent's failure to answer or respond, in writing, shall result in the issuance of a final order without further notice.

IT IS SO ORDERED on this the 29 day of October, 2013


for Charles A. Vice
Commissioner
Department of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, KY 40601

Certificate of Service

I hereby certify that a copy of the foregoing **Order to Show Cause** was sent on this the 29th day of October, 2013, by certified mail, return receipt requested, to the following:

M.H. Pillars d/b/a Payza
Attn: Ferhan Patel, Chief Compliance Officer
1221 Avenue of the Americas
42nd Floor
New York, NY 10020


Stephanie Dawson
Department of Financial Institutions