

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Deborah Platt Majoras, Chairman**
 Pamela Jones Harbour
 Jon Leibowitz
 William E. Kovacic
 J. Thomas Rosch

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In the Matter of)
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CashPro)
d/b/a/ MakePaydayToday.com)
_____)
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DOCKET NO. C-

COMPLAINT

The Federal Trade Commission, having reason to believe that CashPro d/b/a MakePaydayToday.com ("respondent"), a sole proprietorship owned by Mark and Roxanne Behrendsen has violated the provisions of the Truth in Lending Act, 15 U.S.C. §§1601-1667, as amended, and its implementing Regulation Z, 12 C.F.R. §226, as amended, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent CashPro d/b/a MakePaydayToday.com is a sole proprietorship with its principal office or place of business at 4306 S. Carson St., Carson City, NV 89701.

2. Respondent has disseminated advertisements to the public that promote extensions of closed-end credit in consumer credit transactions, as the terms "advertisement," "credit," "closed-end credit," and "consumer credit" are defined in Section 226.2 of Regulation Z, 12 C.F.R. §226.2, as amended.

3. Respondent offers credit to consumers in the form of payday loans. Credit is defined as "the right to defer payment of debt or to incur debt and defer its payment." Section 226.2 of Regulation Z, 12 C.F.R. §226.2, as amended. Credit includes "a transaction in which a cash advance is made to a consumer in exchange for the consumer's personal check, or in exchange for the consumer's authorization to debit the consumer's deposit account, and where the parties

agree either that the check will not be cashed or deposited, or that the consumer's deposit account will not be debited, until a designated future date. This type of transaction is often referred to as a 'payday loan' or 'payday advance' or 'deferred-presentment loan.'" Comment 2 to Section 226.2(a)(14) of the Official Staff Commentary to Regulation Z; 12 C.F.R. Section 226.2(a)(14)-2, Supp.1, as amended. Payday loans have high rates and short repayment periods; they are often due on the borrower's next payday, usually about every two weeks.

4. Respondent has disseminated or has caused to be disseminated payday loan advertisements on the Internet, including but not necessarily limited to the attached Exhibit 1.

A. The advertisement states that MakePaydayToday.com's rates vary depending on the number of days for which the loan is made.

B. The advertisement provides that the maximum number of days for a loan is 14 days, but extensions may be done for up to 60 days.

C. The advertisement provides a fee schedule showing various "loan amounts and fees for our short term loans." According to the fee schedule, a \$100 loan repaid in 14 days costs \$19.95.

5. On a \$100 loan with a \$19.95 fee repayable in 14 days, the APR would be 520%.

Failure to Disclose Information Required by TILA

6. In credit advertisements, including but not necessarily limited to Exhibit 1, respondent has stated the number of payments or period of repayment and/or the amount of any finance charge, as terms for obtaining consumer credit in the form of a payday loan.

7. These advertisements have failed to disclose the "annual percentage rate" or "APR" using that term as required by Regulation Z.

8. Respondent's practices have violated Section 144 of the Truth in Lending Act ("TILA"), 15 U.S.C. §1664, and Section 226.24(c) of Regulation Z, 12 C.F.R. §226.24(c).

THEREFORE, the Federal Trade Commission this __ day of _____, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: