

**CREDIT CARD ARRANGEMENTS (EXCERPT)**  
**Act 379 of 1984**

**493.106 Suspension, revocation, or refusal to renew license; notice; grounds; surrender of license; duration of license; reinstatement or issuance of new license; preexisting lawful contracts.**

Sec. 6.

(1) The commissioner may suspend, revoke, or refuse to renew a license. The commissioner shall give the licensee 10 days' notice in writing, forwarded by certified mail to the principal place of business of the licensee, stating the contemplated action and in general the reason for that action. The licensee shall also be notified that the contemplated action shall be effective after a reasonable opportunity to be heard, if the commissioner finds that the licensee or an owner, director, officer, member, partner, stockholder, employee, or agent of the licensee has done any of the following:

- (a) Made a material misstatement in the application.
- (b) Committed fraud, engaged in a dishonest activity, or misrepresented or failed to disclose any material particular of a credit card arrangement transaction to a person entitled to the information.
- (c) Failed after 10 days' written notice of default, to pay the annual license fee; or to comply with a demand, ruling, or requirement of the commissioner lawfully made pursuant to this act.
- (d) Either knowingly or without the exercise of due care to prevent it, violated this act or a rule promulgated by the commissioner under this act.
- (e) Otherwise demonstrated unworthiness, bad faith, dishonesty, or any other quality indicating that the business of the licensee has not been or may not be conducted honestly, fairly, equitably, and efficiently within the purposes and intent of this act.

(2) The commissioner may suspend, revoke, or refuse to renew a license upon a finding of a fact or condition which, if the fact or condition had existed at the time of the original application for the license, clearly would have warranted the commissioner to refuse to issue the license originally.

(3) A licensee may surrender a license by delivering it to the commissioner with written notice of surrender. A surrender of a license shall not affect the licensee's civil or criminal liability for acts committed before the surrender.

(4) A license remains in force until the date of expiration or until surrendered, revoked, or suspended pursuant to this act. The commissioner may reinstate a suspended license or issue a new license to a licensee whose license has been revoked if the conditions under which the license was revoked have been corrected and the commissioner is satisfied, as the result of an investigation, that the conditions are not likely to recur.

(5) The suspension, revocation, nonrenewal, or surrender of a license shall not impair or affect the obligation of any preexisting lawful contract between the licensee and any consumer.

**History:** 1984, Act 379, Imd. Eff. Dec. 28, 1984

**Compiler's Notes:** For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.