



PRESS RELEASE

Maryland Attorney General and Commissioner of Financial Regulation Fight to Protect Retirees and Veterans
Consumer Protection Division and DLLR's Office of the Commissioner of Financial Regulation File Charges Against Future Income Payments, Scott Alan Kohn for Making Unlicensed, Usurious Loans to Retirees and Veterans

BALTIMORE, MD (April 25, 2018) - Maryland Attorney General Brian E. Frosh and Commissioner of Financial Regulation Antonio P. Salazar announced today that the Attorney General's Consumer Protection Division and the Department of Labor's Office of the Commissioner of Financial Regulation have each filed charges against Scott Alan Kohn, Glorilyn Cusi, and a web of companies owned and operated by Kohn for making unlicensed and usurious loans, referred to as "pension advances," to retirees and other veterans in Maryland.

The commissioner has issued a cease and desist order directing these individuals and companies – which include Future Income Payments, LLC (formerly known as Pensions, Annuities and Settlements, LLC), FIP LLC, Cash Flow Outsourcing Services Inc., Cash Flow Investment Partners, LLC, BuySellAnnuity Inc., and Pension Advance LLC, – to immediately stop making new pension advances and other loans to Maryland consumers, and to stop collecting on any existing advances or other loans.

According to the charges, Kohn's web of companies offered pension advances in the form of a single, lump-sum payment in exchange for requiring hundreds of dollars in payment each month for the next 5 to 10 years. According to the charges, such pension advances are consumer loans under Maryland law and are subject to Maryland's licensing requirements and interest rate caps. However, Kohn and his companies were never licensed by the commissioner to do business in Maryland and their loans were highly usurious, typically charging interest rates over 150%. Kohn and his companies allegedly targeted federal, state, and military retirees, as well as disabled veterans.

"Maryland's usury laws protect consumers from companies charging outrageous amounts of interest," said Attorney General Frosh. "My office will act to protect Marylanders from usurious lenders, particularly those who hurt some of our most vulnerable residents."

"The Office of the Commissioner of Financial Regulation is pleased to collaborate with the Attorney General's Consumer Protection Division on this important enforcement matter," said DLLR's Assistant Commissioner for Non-Depository Supervision Jedd Bellman. "We are committed to identifying and barring predatory conduct to ensure consumers are protected

from illegal products and practices, and so businesses can operate in an environment of fair competition that is supportive of the state's economic development.”

A hearing on the Consumer Protection Division's charges has been scheduled for July 24, 2018, at the Office of Administrative Hearings in Hunt Valley, Maryland. The division is seeking an order compelling Kohn, Cusi, and Kohn's companies to permanently cease doing business in Maryland, to pay restitution to all affected consumers, and to pay civil penalties. The commissioner's summary order also seeks restitution, and other sanctions.

Consumers with complaints against Scott Alan Kohn, Glorilyn Cusi, Future Income Payments, FIP, Cash Flow Outsourcing Services, Cash Flow Investment Partners, BuySellAnnuity, or Pension Advance may call the Consumer Protection Division at 410-576-6569 or may write to the Consumer Protection Division at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.

About the Maryland Department of Labor, Office of the Commissioner of Financial Regulation

The Office of the Commissioner of Financial Regulation supervises the activities of the state's mortgage lenders and servicers through periodic on-site examinations and off-site monitoring programs and coordination of efforts with other states. It ensures the citizens of Maryland are able to conduct their financial transactions through safe, sound, and well-managed institutions that comply with Maryland law, including various consumer protection provisions, while providing a flexible, yet sound regulatory environment that promotes fair competition, encourages innovative business development, and supports the economy of Maryland.

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