

MONEY TRANSMISSION SERVICES ACT (EXCERPT)
Act 250 of 2006

487.1034 Authorized delegate; prohibited conduct; duties.

Sec. 34.

(1) An authorized delegate shall not make any fraudulent or false statement or misrepresentation to a customer or licensee or to the commissioner.

(2) An authorized delegate shall perform money transmission services lawfully and in accordance with the licensee's operating policies and procedures provided to the authorized delegate.

(3) All funds received by an authorized delegate from the sale of a payment instrument, less fees, shall be held in trust for the licensee from the time the funds are received by the authorized delegate until the time the funds are remitted to the licensee.

(4) If an authorized delegate commingles any of the funds received with any other funds or property owned or controlled by the authorized delegate, all commingled funds and other property are impressed with a trust for the licensee in an amount equal to the amount of the funds due the licensee.

(5) An authorized delegate shall report to the licensee the theft or loss of a payment instrument within 24 hours after the theft or loss.

History: 2006, Act 250, Imd. Eff. July 3, 2006