

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 61567 / February 23, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13628**

<p><b>In the Matter of</b></p> <p><b>Consumers Financial Corporation,</b></p> <p><b>Respondent.</b></p>
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**AMENDED ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS AND  
NOTICE OF HEARING PURSUANT TO  
SECTIONS 12(g)(4) and 12(j) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**I.**

The Securities and Exchange Commission (“Commission”) deems it necessary and appropriate for the protection of investors that public administrative proceedings be, and hereby are, instituted pursuant to Sections 12(g)(4) and 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”) against Consumers Financial Corporation (“CFC”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENT**

1. Consumers Financial Corporation (CIK No. 0000100320) is a dually-registered Pennsylvania and Nevada corporation with a principal place of business in Cedarhurst, New York. Its common stock, symbol CNSF, is registered with the Commission pursuant to Section 12(g) of the Exchange Act. As of August 19, 2009, the company’s stock was quoted on the Pink Sheets, operated by Pink OTC Markets Inc. (“Pink Sheets”), had nine market makers, and was eligible for the “piggyback” exception under Rule 15c2-11(f)(3) of the Exchange Act.

**B. DELINQUENT PERIODIC FILINGS**

2. CFC is delinquent in its periodic filings with the Commission and has repeatedly failed to meet its obligation to file timely reports, having not filed any periodic or other required reports since it filed, on March 23, 2007, a Form 10-KSB for the year ended December 31, 2005.

3. On April 8, 2009, CFC filed a Form 15F seeking to terminate the registration of its securities, and certified that it had 600 holders of record of CFC securities.

4. On April 13, 2009, CFC filed a letter withdrawing its Form 15F filing and noting “a change in the number of shareholders to reflect 200.” On that same date, CFC also filed a Form 15 seeking to terminate the registration of its securities and certified that it had 200 holders of record on that date.

5. According to the records of CFC’s transfer agent, as of April 13, 2009, CFC had 3,092 holders of record of CFC securities.

6. Section 12(g) of the Exchange Act, and Rule 12g-4 thereunder, provide that deregistration of a class of an issuer’s securities under Section 12(g) of the Exchange Act,

shall take effect 90 days, or such shorter period as the Commission may determine, after the issuer certifies to the Commission on Form 15 (17 C.F.R. § 249.323) that the class of securities is held of record by: (1) Less than 300 persons; or (2) less than 500 persons where the total assets of the issuer have not exceeded \$10 million on the last day of each of the issuer’s most recent three fiscal years.

Exchange Act Rule 12g-4, 17 C.F.R. 240.12g-4

7. Because CFC had more than 500 holders of record of CFC securities as of April 13, 2009, CFC was not eligible to use Form 15 to terminate the registration of its securities.

8. Section 12(g)(4) of the Exchange Act provides that “[t]he Commission shall after notice and opportunity for hearing deny termination of registration if it finds that the [Form 15] certification is untrue.”

9. CFC’s Form 15 certification, filed on April 13, 2009, was untrue because CFC falsely claimed that it had only 200 shareholders of record, when in fact, it had 3,092 shareholders of record.

10. Because CFC’s Form 15 certification, filed April 13, 2009, regarding the number of holders of record of CFC securities was untrue and CFC exceeded the statutorily-mandated number of record holders that allows an issuer to deregister its securities on Form 15, CFC’s Form 15 was not valid and, therefore, could not effectively terminate the registration of CFC’s securities.

11. Section 13(a) of the Exchange Act and the rules promulgated thereunder require issuers of securities registered pursuant to Section 12 of the Exchange Act to file with the Commission current and accurate information in periodic reports, even if the registration is voluntary under Section 12(g). Specifically, Rule 13a-1 requires issuers to

file annual reports (Forms 10-K or 10-KSB), and Rule 13a-13 requires issuers to file quarterly reports (Forms 10-Q or 10-QSB).

12. As a result of the foregoing, CFC failed to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder.

### **III.**

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate for the protection of investors that public administrative proceedings be instituted to determine:

A. Whether the allegations contained in Section II. are true and, in connection therewith, to afford CFC an opportunity to establish any defenses to such allegations;

B. Whether to deny CFC's termination of registration of its securities as requested on the Form 15 filed by CFC on April 13, 2009; and

C. Whether it is necessary and appropriate for the protection of investors to suspend, for a period not exceeding twelve months, or revoke the registration of each class of securities of CFC identified in Section II. and registered pursuant to Section 12 of the Exchange Act.

### **IV.**

IT IS HEREBY ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III. hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice [17 C.F.R. § 201.110].

IT IS HEREBY FURTHER ORDERED that CFC shall file an Answer to the allegations contained in this Order within ten (10) days after service of this Order, as provided by Rule 220(b) of the Commission's Rules of Practice [17 C.F.R. § 201.220(b)].

If CFC fails to file the directed Answers, or fails to appear at a hearing after being duly notified, CFC may be deemed in default and the proceedings may be determined against it upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f), and 310 of the Commission's Rules of Practice [17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310].

This Order shall be served forthwith upon CFC personally or by certified or Express Mail, or by other means of verifiable delivery.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice [17 C.F.R. § 201.360(a)(2)].

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Elizabeth M. Murphy  
Secretary