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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: MONEY MARKET FINANCIAL, INC. (File No. 100-2316)
Hossin Paul Rahimi
903 Pacific Avenue, #102
Santa Cruz, CA 95060
and
516 Main Street
Watsonville, California 95076

DESIST AND REFRAIN ORDER

(For violations of California Financial Code sections 23005, 23018, 23023, 23024, 23027, 23035, 23036 and California Code of Regulations, title 10, section 2025)

CITATIONS AND ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS

(California Financial Code sections 23058 and 23060)

The California Corporations Commissioner finds that:

1. Money Market Financial, Inc. is a California corporation licensed to do business at 903 Pacific Avenue, #102, Santa Cruz, California 95060. Money Market Financial, Inc. also does business at 516 Main Street, Watsonville, California 95076. Hossin Paul Rahimi (“Rahimi”) is the owner and president of Money Market Financial, Inc.

2. The California Corporations Commissioner (“Commissioner”) of the Department of Corporations (“Department”) is mandated to enforce the California Deferred Deposit Transaction Law (“CDDTL”) found in California Financial Code section 23000 et seq.

3. The Commissioner issued a license (File No. 100-2316) for Money Market Financial, Inc. to operate pursuant to the CDDTL at its location in Santa Cruz but had not issued a license to Money Market Financial, Inc. to engage in the business of deferred deposit transactions at address in Watsonville, California. Money Market Financial, Inc. is required to obtain a CDDTL license to operate at each of its locations.

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Each citation may contain an order to desist and refrain and an assessment of an administrative penalty not to exceed two thousand five hundred dollars (\$ 2,500). All penalties collected under this section shall be deposited in the State Corporations Fund.

(b) The sanctions authorized under this section shall be separate from, and in addition to, all other administrative, civil, or criminal remedies.

(c) If within 30 days from the receipt of the citation of the person cited fails to notify the department that the person intends to request a hearing as described in subdivision (d), the citation shall be deemed final.

(d) Any hearing under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and in all states the commissioner has all the powers granted therein.

(e) After the exhaustion of the review procedures provided for in this section, the department may apply to the appropriate superior court for a judgment in the amount of the administrative penalty and order compelling the cited person to comply with the order of the department. The application, which shall include a certified copy of the final order of the department, shall constitute a sufficient showing to warrant the issuance of the judgment and order.

9. **Citation A.** Money Market Financial, Inc. engaged in the business of deferred deposit transactions at an unlicensed location in violation of Financial Code sections 23005 and 23023.

10. **Citation B.** Money Market Financial, Inc. failed to post its license in conspicuous view of the public at its licensed location in violation of Financial Code section 23018, subdivision (a).

11. **Citation C.** Money Market Financial, Inc. failed to maintain records demonstrating its net worth complied with the CDDTL requirements in violation of California Code of Regulations, title 10, section 2025, subdivision (b).

12. **Citation D.** Money Market Financial, Inc. originated deferred deposit transactions with customers but failed to maintain adequate records that included the payments received from customers on loans in violation of Financial Code section 23024.

13. **Citation E.** Money Market Financial, Inc. accepted the same check for a subsequent

1 deferred deposit transactions in violation of Financial Code section 23027, subdivision (a).

2 14. **Citation F.** Money Market Financial, Inc.’s advertising did not contain disclosure of
3 its licensure by the Department of Corporations under the California Deferred Deposit Transaction
4 Law in violation of Financial Code section 23027, subdivision (b).

5 15. **Citation G.** Money Market Financial, Inc. originated deferred deposit transactions with
6 customers that exceeded \$300, in violation of Financial Code section 23035, subdivision (a).

7 16. **Citation H.** Money Market Financial, Inc. failed to provide customers with the required
8 notices and disclosures before entering into deferred deposit transactions in violation of Financial
9 Code section 23035, subdivision (c).

10 17. **Citation I.** Money Market Financial, Inc. failed to post the required notice in view of
11 the public with letters that were at least ½ inches in height in violation of Financial Code section
12 23035, subdivision (d).

13 18. **Citation J.** Money Market Financial, Inc.’s written agreements did not contain all
14 the required disclosures in violation of Financial Code section 23035, subdivision (e).

15 19. **Citation K.** Money Market Financial, Inc. charged customers fees for non-sufficient
16 funds (NSF) that exceeded \$15 in violation of Financial Code section 23036.

17 20. **Citation L.** Money Market Financial, Inc. originated deferred deposit transactions
18 with customers and then charged a fee to extend or rollover the due date in violation of 23036,
19 subdivision (b).

20 21. **Citation M.** Money Market Financial, Inc. failed to maintain evidence of checks as
21 required by California Code of Regulations, title 10, section 2025, subdivision (c).

22 **CITATIONS**

23 Pursuant to California Financial Code section 23058, Money Market Financial, Inc. and
24 Hossin Paul Rahimi are hereby ordered to pay to the Commissioner within 30 days from the date
25 of these Citations an administrative penalty for the citations listed below for the total amount of
26 twenty seven thousand dollars five hundred dollars (\$27,500).

27 CITATION A. - \$1,500

28 CITATION B. - \$ 500

- 1 CITATION C. - \$2,500
- 2 CITATION D. - \$2,500
- 3 CITATION E. - \$2,500
- 4 CITATION F. - \$2,500
- 5 CITATION G. - \$2,500
- 6 CITATION H. - \$2,500
- 7 CITATION I. - \$ 500
- 8 CITATION J. - \$2,500
- 9 CITATION K. - \$2,500
- 10 CITATION L. - \$2,500
- 11 CITATION M. - \$2,500

12 **DESIST AND REFRAIN ORDER**

13 By reason of the foregoing, Money Market Financial, Inc. and Hossin Paul Rahimi have
14 engaged in the business of deferred deposit transactions at locations without having first obtained
15 a license from the Commissioner and violated numerous provisions of the CDDTL.

16 California Financial Code section 23050 provides in pertinent part:

17 Whenever, in the opinion of the commissioner, any person is engaged in
18 the business of deferred deposit transactions, as defined in this division,
19 without a license from the commissioner, or any licensee is violating any
20 provision of this division, the commissioner may order that person or
licensee to desist and to refrain from engaging in the business or further
violating this division.

21 Pursuant to California Financial Code section 23050, Money Market Financial, Inc. and
22 Hossin Paul Rahimi are hereby ordered to desist and refrain from engaging in the business of
23 deferred deposit transactions in the State of California in violation of California Financial Code
24 sections 23005, 23018, 23023, 23024, 23027, 23035 and 23036 and California Code of
25 Regulations, title 10, section 2025.

26 The Desist and Refrain Order is necessary for the protection of consumers and consistent
27 with the purposes, policies and provisions of the CDDTL. This Order shall remain in full force
28 and effect until further order of the Commissioner.

ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS

Money Market Financial, Inc. and Hossin Paul Rahimi willfully violated California Financial Code section 23036 of the CDDTL by entering into deferred deposit transactions with at least one consumer (C.S.) and charging the customer an illegal fee to extend or rollover the loan in violation of California Financial Code section 23036, subdivision (b).

California Financial Code section 23060 states:

(a) If any amount other than, or in excess of, the charges or fees permitted by this division is willfully charged, contracted for, or received, a deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive the principal amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

(b) If any provision of this division is willfully violated in the making or collection of a deferred deposit transaction, the deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

Pursuant to California Financial Code section 23060, subdivision (b), the above described deferred deposit transactions for consumer (C.S.) totaling at least \$300 is void. Further, Money Market Financial, Inc. and Hossin Paul Rahimi have no right to collect or receive any amount provided in the deferred deposit transactions or any charges or fees in connection with these consumer transactions and are hereby ordered to immediately return any amount and all charges and fees received for these transactions.

Dated: August 3, 2007
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division