

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

**TO: IZL CASH & GO, INC.**  
**12505 Beach Blvd., Suite A-4**  
**Stanton, CA 90680**

**CITATIONS**  
**AND**  
**DESIST AND REFRAIN ORDER**  
**(Pursuant to California Financial Code sections 23050 and 23058)**

The California Corporations Commissioner finds that:

1. IZL Cash and Go, Inc. hereinafter “Licensee” is, and was at all relevant times herein, a corporation authorized to conduct business in this state. Licensee has its principal place of business located at 12505 Beach Blvd., Suite A-4, Stanton, CA 90680 (“Location 1”). Licensee had an additional licensed business location at 5259 Paramount Boulevard, Lakewood, CA 90712.

2. On or about January 14, 2008, Licensee obtained a license from the California Corporations Commissioner (“Commissioner”) to engage in the business of deferred deposit transactions at Location 1. On December 19, 2007, licensee obtained a license from the Commissioner to engage in the business of deferred deposit transactions at Location 2. Licensee has since surrendered the license for Location 2.

3. An examination of Licensee conducted by the Commissioner on January 13, 2009 disclosed the following violations at Location 1 and Location 2.

Citation A, Locations 1 & 2. The notice required to be conspicuously posted in the unobstructed view of the public was: (1) in letters less than ½ inch in height (2) failed to contain disclosure that licensee cannot use the criminal process against a customer to collect a deferred deposit transaction, and (3) failed to contain the schedule of all charges and fees to be charged exemplified with the amount of \$100 and \$200 on deferred deposit transactions payable in 30 days with the corresponding annual percentage rates in violaion of California Financial Code section 23035 (d).

1 Citation B, Locations 1 & 2. Licensee failed to distribute the notice with the required  
2 disclosures to the Customer prior to entering into the deferred deposit agreement in violation of  
3 California Financial Code section 23035 (c).

4 Citation C, Locations 1 & 2. The written Agreement failed to contain the following  
5 disclosures and information in violation of California Financial Code section 23035 (e):

- 6 1. The customers name and address
- 7 2. An itemization of the amount financed as required under the Federal Truth In Lending  
8 Act and its regulations.
- 9 3. The customer cannot be prosecuted or threatened with prosecution to collect a deferred  
10 deposit transaction.
- 11 4. The licensee cannot make a deferred deposit transaction contingent on the purchase of  
12 another product or service.
- 13 5. The licensee cannot accept collateral in connection with a deferred deposit transaction.

14 Citation C, Location 1 & 2. Advertising in yellow pages failed to contain disclosure that  
15 licensee is licensed by the Department of Corporations pursuant to the California Deferred Deposit  
16 Transaction Law in violation of California Financial Code section 23027.

17 Citation D, Locations 1 & 2. Licensee failed to maintain sufficient books and records that  
18 would allow the Commissioner to determine if the licensee is in compliance with the California  
19 Deferred Deposit Transaction Law and its rules and regulations in violation of California Financial  
20 Code section 23024 and California Code of Regulations section 2025 as follows:

- 21 1. Licensee failed to maintain written agreements for all deferred deposit transactions.
- 22 2. Licensee failed to maintain evidence of customer’s checks for deferred deposit  
23 transactions.

24 Citation E, Locations 1 & 2. Licensee failed to maintain records demonstrating minimum net  
25 worth of \$25,000 in compliance with California Financial Code section 23007, including quarterly  
26 unaudited balance sheets, in violation of California Code of Regulations section 2025 (b).

27 /

28 /

1 Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to  
2 the Commissioner an administrative penalty in the total amount of \$500 for the following  
3 Citation within 30 days from the date of this Citation.

- 4 Citation A. \$100
- 5 Citation B. \$100
- 6 Citation C. \$100
- 7 Citation D. \$100
- 8 Citation E. \$100

9 Pursuant to California Financial Code section 23050, Licensee is hereby ordered to desist  
10 and refrain from engaging in the business of deferred deposit transactions in the State of  
11 California in violation of the above referenced sections.

12 This Citation and Desist and Refrain Order are necessary, in the public  
13 interest, for the protection of consumers and is consistent with the purposes, policies and  
14 provisions of the California Deferred Deposit Transaction Law. This Citation and Desist and  
15 Refrain Order shall remain in full force and effect until further order of the Commissioner.

16 This Citation is separate from any further action that may include other administrative, civil  
17 or criminal remedies that the Commissioner may take based upon the violations of law cited herein  
18 or otherwise.

19 California Financial Code section 23058 provides, in relevant part:

20 (a) If, upon inspection, examination or investigation, based upon a  
21 complaint or otherwise, the department has cause to believe that a person  
22 is engaged in the business of deferred deposit transactions without a license,  
23 . . . the department may issue a citation to that person in writing, describing  
24 with particularity the basis of the citation. Each citation may contain . . . an  
assessment of an administrative penalty not to exceed two thousand five hundred  
dollars (\$2,500) . . . .  
25 . . .

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

28 (d) Any hearing held under this section shall be conducted in accordance with  
Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

of the Government Code . . . .

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any 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. If, within 30 days, after the order is served, a written request for a hearing is filed and no hearing is held within 30 days thereafter, the order is rescinded.

The request for a hearing may be made by delivering or mailing a written request to:

Steven Thompson  
Special Administrator  
California Deferred Deposit Transaction Law  
Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
Los Angeles, California 90013-2344  
(213) 576-7610

Dated: June 26, 2009  
Los Angeles, CA

PRESTON DUFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Steven C. Thompson  
Special Administrator  
California Deferred Deposit Transaction Law