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9  
10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
11 OF THE STATE OF CALIFORNIA

12 In the matter of: )  
)  
13 THE COMMISSIONER OF FINANCIAL ) CDDTL LICENSE NO.: 1000871  
14 PROTECTION AND INNOVATION, )  
)  
15 Complainant, ) ACCUSATION IN SUPPORT OF ORDER  
16 v. ) REVOKING CALIFORNIA DEFERRED  
) DEPOSIT TRANSACTION LAW LICENSE  
17 CYCO FINANCIAL SERVICES CENTER, INC. ) OF RESPONDENT CYCO FINANCIAL  
) SERVICES CENTER, INC.  
18 Respondent. )

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21 Complainant, the Commissioner of Financial Protection and Innovation (Commissioner) is  
22 informed and believes, and based upon such information and belief, alleges and charges Respondent  
23 Cyco Financial Services Center, Inc. as follows:

24 I.

25 **Introduction**

26 1. The Commissioner has jurisdiction over the licensing and regulation of persons and  
27 entities engaged in originating deferred deposit transactions under the California Deferred Deposit  
28 Transaction Law (CDDTL) (Fin. Code § 23000 et. seq).



1 8. On August 9, 2024, the Examiner sent another request to Cyco via email requesting  
2 the four quarterly Balance Sheets and Income Statements. Cyco failed to respond to the August 9,  
3 2024 email. In addition, the Examiner attempted to contact Cyco by telephone to no avail.

4 9. On November 1, 2024, the Commissioner sent a Demand Letter (Demand Letter) to  
5 Cyco requesting that it produce the last four quarterly Balance Sheets and Income Statements as of  
6 December 31, 2022, March 31, 2023, June 30, 2023, and September 30, 2023 pursuant to Financial  
7 Code section 23048 within 10 days from the date of the letter.

8 10. To date, Cyco has failed to provide the documents requested from the Commissioner.

9 **III.**

10 **Failure to Maintain Records to Determine Net Worth**

11 11. Financial Code section 23007 and California Code of Regulations section 2025(b)  
12 require each licensee to maintain records demonstrating minimum net worth requirements.

13 12. During the 2023 Examination, the Examiner determined that Cyco did not maintain  
14 the required records to determine compliance with Financial Code section 23007.

15 **IV.**

16 **Revocation Statute**

17 13. Financial Code section 23007 provides as follows:

18 The applicant shall file with the application financial statements prepared  
19 in accordance with generally accepted accounting principles and  
20 acceptable to the commissioner that indicate a net worth of at least twenty-  
21 five thousand dollars (\$25,000). A licensee, regardless of the number of  
licensed locations, shall maintain a net worth of at least twenty-five  
thousand dollars (\$25,000) at all times.

22 14. Financial Code section 23052 provides in pertinent part:

23 The commissioner may suspend or revoke any license, upon notice and  
24 reasonable opportunity to be heard, if the commissioner finds any of the  
25 following:

26 (a) The licensee has failed to comply with any demand, ruling, or  
27 requirement of the commissioner made pursuant to and within the  
28 authority of this division.

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(b) The licensee has violated any provision of this division or any rule or regulation made by the Commissioner under and within the authority of this division.

(c) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

**V.**

**Conclusion**

15. By reason of the foregoing, Cyco has violated provisions of the Financial Code by: (i) failing to maintain books, accounts and records that are in accordance with GAAP and good business practices, in violation of section 2026 of the California Code of Regulations; (ii) failing to maintain the required records to determine compliance with Financial Code section 23007; and (iii) failing to produce books and records 10 days after a written demand by the Commissioner in violation of Financial Code section 23048(b).

**VI.**

**Prayer**

WHEREFORE, Complainant, the Commissioner of Financial Protection and Innovation, prays that the deferred deposit transaction license number 1000871 issued to Cyco be revoked pursuant to Financial Code section 23052.

Dated: December 20, 2024  
Los Angeles, California

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

By \_\_\_\_\_  
NAMI R. KANG  
Senior Counsel  
Enforcement Division