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7 Attorneys for Complainant

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

11 In the Matter of: )  
12 THE COMMISSIONER OF FINANCIAL ) CFL LICENSE NO.: 603K078  
PROTECTION AND INNOVATION, ) SETTLEMENT AGREEMENT  
13 )  
14 Complainant, )  
15 v. )  
16 WHITE GLASS LENDING, LLC, )  
17 Respondent. )

18  
19 The Commissioner of Financial Protection and Innovation (Commissioner) and White Glass  
20 Lending LLC (White Glass) (collectively the Parties) enter this Settlement Agreement with respect to  
21 the following facts:

22  
23 **I.**

24 **Recitals**

25 A. The Department of Financial Protection and Innovation (Department), through the  
26 Commissioner, has jurisdiction over the licensing and regulation of persons and entities engaged in  
27 the business of finance lending and brokering pursuant to the California Financing Law (Fin. Code  
28 §22000 et seq.) (CFL).

1 B. At all relevant times, White Glass is a Utah limited liability company in good  
2 standing, with a principal place of business at 230 W. Towne Ridge Parkway, Suite 520, Sandy, Utah  
3 84070. White Glass is licensed as a finance lender under the CFL with main license number  
4 603K078.

5 D. Keith Crandall is the Manager of White Glass and is authorized to enter into this  
6 Settlement Agreement on behalf of White Glass.

7 E. On May 22, 2024, White Glass was served by the Commissioner with a Notice of  
8 Intention to Issue Order Revoking Finance Lender License, Accusation and accompanying  
9 documents dated May 15, 2024 (Accusation). In the Accusation, the Commissioner alleged that  
10 White Glass had failed to provide the financial records demanded by the Commissioner as required  
11 under Financial Code sections 22709 and 22714, failed to maintain an adequate net worth as required  
12 under Financial Code section 22104(a), and failed to maintain an active status with the California  
13 Secretary of State as required as California Code of Regulations, title 10, section 1422 (Accusation  
14 Allegations).

15 F. On May 28, 2024, White Glass timely submitted a Notice of Defense to the  
16 Commissioner requesting an administrative hearing on the Accusation Allegations.

17 G. It is the intention of the Parties to resolve the Accusation Allegations without the  
18 necessity of a hearing.

19 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions  
20 contained herein, the Parties agree as follows:

21 **II.**

22 **Terms and Conditions**

23 1. **Purpose.** This Settlement Agreement resolves the Accusation Allegations in a  
24 manner that avoids the expense of a hearing and other possible court proceedings, protects  
25 consumers, is in the public interest, and is consistent with the purposes, policies, and provisions of  
26 the CFL.

27 2. **Desist and Refrain Order.** In accordance with Financial Code section 22712, White  
28 Glass stipulates that it is ordered to desist and refrain from violating Financial Code sections 22709

1 and 22714, Financial Code section 22104(a), and California Code of Regulations, title 10, section  
2 1422.

3           3.       **Penalty.** White Glass shall pay to the Commissioner a penalty of \$7,500.00 (Penalty).  
4 The Penalty is due within 5 business days of the Effective Date, as defined in Paragraph 24 below  
5 (Effective Date) and should be made payable in the form of a cashier’s check or Automated Clearing  
6 House deposit to the “Department of Financial Protection and Innovation” and transmitted to the  
7 attention of: Accounting – Enforcement Division, Department of Financial Protection and  
8 Innovation, 2101 Arena Boulevard, Sacramento, California 95834. Notice of such payment shall be  
9 concurrently sent to Nami R. Kang, Senior Counsel, Department of Financial Protection and  
10 Innovation, Enforcement Division, 320 West 4th Street, Suite 750, Los Angeles, California 90013,  
11 via electronic email at nami.kang@dfpi.ca.gov.

12           4.       **Waiver of Hearing Rights.** White Glass acknowledges the Commissioner is ready,  
13 willing, and able to proceed with the administrative enforcement action described in Paragraph E  
14 above. White Glass hereby waives its right to any hearing, and to any reconsideration, appeal, or  
15 other right to review which may be afforded pursuant to the CFL, the California Administrative  
16 Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection  
17 herewith. White Glass further waives any right to an administrative hearing under Financial Code  
18 section 50321 in connection with the Order to Discontinue Violations agreed to herein. By waiving  
19 such rights, White Glass effectively consents to this Settlement Agreement and the Order to  
20 Discontinue Violations becoming final.

21           5.       **Effect Upon Future Proceedings.** If White Glass is the subject of any future  
22 action by the Commissioner to enforce this Settlement Agreement, then the subject matter hereof  
23 may be used to enforce the Settlement Agreement. In consideration for White Glass’s agreeing to  
24 the terms of this Settlement Agreement the Department will timely review and consider any  
25 future or pending application and this Settlement Agreement will not be the sole basis of any  
26 action to deny such application.

27           6.       **License Surrender.** White Glass intends to surrender its license to the Commissioner  
28 as part of its cessation of its doing business in California. White Glass agrees to provide all

1 information necessary to process the surrender of its CFL license. Upon the Effective Date and upon  
2 receipt of the necessary surrender documents, the Commissioner agrees that she will not unduly delay  
3 processing of White Glass’s license surrender and will notify White Glass in writing of acceptance of  
4 the license surrender once complete.

5 7. **Revocation of License for Failure to Comply.** White Glass agrees that, if it fails to  
6 comply with Paragraph 3 of this Agreement, the CFL license of White Glass shall be summarily  
7 revoked. White Glass hereby waives any notice and hearing rights that may be afforded pursuant to  
8 the CFL, the California Administrative Procedure Act, the California Code of Civil Procedure, or any  
9 other provision of law.

10 8. **Full and Final Settlement.** The Parties hereby acknowledge and agree that this  
11 Settlement Agreement is intended to constitute a full, final, and complete resolution of the  
12 Accusation, and that no further proceedings or actions will be brought by the Commissioner in  
13 connection with the Accusation under the CFL or any other provision of law, excepting therefrom  
14 any proceeding to enforce compliance with the terms of this Settlement Agreement.

15 9. **Future Actions by Commissioner.** If White Glass fails to comply with any terms of  
16 the Settlement Agreement, the Commissioner may institute proceedings for any and all violations  
17 otherwise resolved under this Settlement Agreement. The Commissioner reserves the right to bring  
18 any future actions against White Glass, or any of its partners, owners, officers, shareholders,  
19 directors, employees or successors for any and all unknown violations of the CFL.

20 10. **Information Willfully Withheld or Misrepresented.** This Settlement Agreement  
21 may be revoked, and the Commissioner may pursue any and all remedies available under the law  
22 against White Glass if the Commissioner discovers that White Glass knowingly or willfully withheld  
23 information used for and relied upon in this Settlement Agreement.

24 11. **Assisting Other Agencies.** Nothing in this Settlement Agreement limits the  
25 Commissioner’s ability to assist any other government agency (city, county, state, or federal) with  
26 any administrative, civil or criminal prosecutions brought by that agency against White Glass or any  
27 other person based upon any of the activities alleged in this matter or otherwise.

28 12. **Headings.** The headings to the paragraphs of this Settlement Agreement are for

1 convenience only and will not be deemed a part hereof or affect the construction or interpretation of  
2 the provisions hereof.

3 13. **Binding.** This Settlement Agreement is binding on all heirs, assigns, and/or  
4 successors in interest.

5 14. **Reliance.** Each of the Parties represents, warrants, and agrees that in executing this  
6 Settlement Agreement it has relied solely on the statements set forth herein and the advice of its own  
7 counsel. Each of the Parties further represents, warrants, and agrees that in executing this Settlement  
8 Agreement it has placed no reliance on any statement, representation, or promise of any other party,  
9 or any other person or entity not expressly set forth herein, or upon the failure of any party or any  
10 other person or entity to make any statement, representation or disclosure of anything whatsoever.  
11 The Parties have included this clause: (1) to preclude any claim that any party was in any way  
12 fraudulently induced to execute this Settlement Agreement; and (2) to preclude the introduction of  
13 parol evidence to vary, interpret, supplement, or contradict the terms of this Settlement Agreement.

14 15. **Waiver, Amendments, and Modifications.** No waiver, amendment, or modification  
15 of this Settlement Agreement will be valid or binding unless it is in writing and signed by each of the  
16 Parties. The waiver of any provision of this Settlement Agreement will not be deemed a waiver of  
17 any other provision. No waiver by either party of any breach of, or of compliance with, any  
18 condition or provision of this Settlement Agreement by the other party will be considered a waiver of  
19 any other condition or provision or of the same condition or provision at another time.

20 16. **Full Integration.** This Settlement Agreement is the final written expression and the  
21 complete and exclusive statement of all the agreements, conditions, promises, representations, and  
22 covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or  
23 contemporaneous agreements, negotiations, representations, understandings, and discussions between  
24 and among the Parties, their respective representatives, and any other person or entity, with respect to  
25 the subject matter covered hereby.

26 17. **Governing Law.** This Settlement Agreement will be governed by and construed in  
27 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,  
28 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient

1 forum to the maintenance of such action or proceeding in such court.

2 18. **Counterparts.** This Settlement Agreement may be executed in one or more separate  
3 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall  
4 together constitute a single document.

5 19. **Mandatory Disclosure in Future Applications.** White Glass agrees to disclose this  
6 Settlement Agreement in any application for a license, permit, registration, or qualification under  
7 the Commissioner’s current or future jurisdiction.

8 20. **Effect Upon Future Proceedings.** If White Glass is the subject of any future action  
9 by the Commissioner to enforce this Settlement Agreement, then the subject matter hereof shall be  
10 admitted for the purpose of such action.

11 21. **Voluntary Agreement.** White Glass enters into this Settlement Agreement  
12 voluntarily and without coercion and acknowledges that no promises, threats or assurances have been  
13 made by the Commissioner or any officer, or agent thereof, about this Settlement Agreement. The  
14 Parties each represent and acknowledge that he, she, or it is executing this Settlement Agreement  
15 completely voluntarily and without any duress or undue influence of any kind from any source.

16 21. **Notice.** Any notice/report required under this Settlement Agreement shall be  
17 addressed as follows:

18  
19 To White Glass: Keith Arnell  
20 Accountant/CPA  
21 White Glass Lending, LLC  
22 230 W. Towne Ridge Parkway, Suite 520  
Sandy, Utah 84070  
keith@pavilionadvisors.com

23 To the Commissioner: Nami R. Kang, Esq.  
24 Senior Counsel  
25 Department of Financial Protection and Innovation  
26 320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
Nami.Kang@dfpi.ca.gov

27 22. **Signatures.** A fax or electronic mail signature shall be deemed the same as an  
28 original signature.

1           23.    **Public Record.** White Glass hereby acknowledges that this Settlement Agreement is  
2 and will be a matter of public record.

3           24.    **Effective Date.** This Settlement Agreement shall become final and effective when  
4 signed by all Parties and delivered by the Commissioner’s counsel via e-mail to White Glass’s  
5 representative, Michael Walch, at mwalch@kmclaw.com.

6           25.    **Authority to Sign.** Each signatory hereto covenants that he or she possesses all  
7 necessary capacity and authority to sign and enter into this Settlement Agreement and undertake the  
8 obligations set forth herein.

9 Dated: September 24, 2024

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

11 By \_\_\_\_\_  
12 MARY ANN SMITH  
13 Deputy Commissioner

14 Dated: September 17, 2024

WHITE GLASS LENDING, LLC

15 By \_\_\_\_\_  
16 KEITH CRANDALL  
17 Manager

18 APPROVED AS TO FORM:

19 By \_\_\_\_\_  
20 MICHAEL WALCH  
21 KIRTON McCONKIE  
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