

BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

Respondent.

(Cal. Fin. Code § 90015(b), (c), (d)(1))

The Complainant, the Commissioner of Financial Protection and Innovation (Commissioner) of the Department of Financial Protection and Innovation (Department), is informed and believes, and based on such information and belief, finds as follows:

Introduction

1 California Civil Code section 1788.13(j) of the Rosenthal Fair Debt Collection Practices Act
2 (Rosenthal Act) (Cal. Civ. Code §§ 1788-1788.33).

3 6. The aforementioned misrepresentations were material and likely to mislead a
4 consumer acting reasonably under the circumstances, constituting deceptive acts or practices, in
5 violation of California Financial Code section 90003(a)(1).

6 7. Oakdale and Associates failed to provide at least one California consumer with any
7 written notification that included the following information required pursuant to title 15 of the
8 United States Code section 1692g(a) of the Fair Debt Collection Practices Act (FDCPA) (15 U.S.C.
9 §§ 1692 to 1692p), within five days of its initial communication regarding the alleged debt, in
10 violation of California Civil Code section 1788.17: (1) the amount of the debt; (2) the name of the
11 creditor to whom the debt is owed; (3) a statement that unless the consumer, within thirty days after
12 receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be
13 assumed to be valid by the debt collector; (4) a statement that if the consumer notifies the debt
14 collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the
15 debt collector will obtain verification of the debt or a copy of a judgment against the consumer and
16 a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
17 (5) a statement that, upon the consumer's written request within the thirty-day period, the debt
18 collector will provide the consumer with the name and address of the original creditor, if different
19 from the current creditor.

20 8. The DCLA requires persons engaged in the business of debt collection in California
21 to be licensed beginning on January 1, 2022, pursuant to California Financial Code section
22 100001(a). However, a debt collector who submits an application prior to January 1, 2023, i.e., by
23 December 31, 2022, shall be allowed to operate pending the approval or denial of the application,
24 pursuant to California Financial Code section 100000.5(a).

25 9. Oakdale and Associates has never submitted an application for a debt collector
26 license and the Commissioner has never issued a license to Oakdale and Associates to engage in the
27 business of debt collection in California.
28

Applicable Laws

12. California Financial Code section 100000.5(a) provides that “[t]he commissioner shall allow any debt collector that submits an application before January 1, 2023, to operate pending the approval or denial of the application.”

“Consumer debt” or “consumer credit” as means money, property, or their equivalent, due or owing, or alleged to be due or owing, from a natural person by reason of a consumer credit transaction. The term “consumer debt” includes a mortgage debt. The term “consumer debt” includes “charged-off consumer debt” as defined in Section 1788.50 of the Civil Code.

15. California Financial Code section 90005(e) defines “consumer financial product or service” as including “[a] financial product or service that is delivered, offered, or provided for use by consumers primarily for personal, family, or household purposes.”

(k) “Financial product or service” means: . . . (1) Extending credit and servicing extensions of credit, including acquiring, purchasing, selling, brokering extensions of credit, other than solely extending commercial credit to a person who originates consumer credit transactions . . . (10) Collecting debt related to any consumer financial product or service . . .

4

(a) It is unlawful for a covered person or service provider, as defined in subdivision (f) of Section 90005, to do any of the following:

(1) Engage, have engaged, or propose to engage in any unlawful, unfair, deceptive, or abusive act or practice with respect to consumer financial products or services.

(2) Offer or provide to a consumer any financial product or service not in conformity with any consumer financial law or otherwise commit any act or omission in violation of a consumer financial law

18. California Financial Code section 90005(f) provides in relevant part:

(f) “Covered person” means, to the extent not preempted by federal law, any of the following: (1) Any person that engages in offering or providing a consumer financial product or service to a resident of this state

19. The following laws are consumer financial laws within the meaning of California Financial Code section 90003(a)(2): the DCLA, the Rosenthal Act, and the FDCPA.

20. Section 1788.13 of the Rosenthal Act provides in relevant part:

No debt collector shall collect or attempt to collect a consumer debt by means of the following practices: . . . (j) The false representation that a legal proceeding has been, is about to be, or will be instituted unless payment of a consumer debt is made

21. Section 1788.17 of the Rosenthal Act provides in relevant part:

Notwithstanding any other provision of this title, every debt collector collecting or attempting to collect a consumer debt shall comply with the provisions of Sections 1692b to 1692j, inclusive, of, and shall be subject to the remedies in Section 1692k of, Title 15 of the United States Code . . .

22. Section 1692e of the FDCPA provides in relevant part:

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section: . . . (2) The false representation of— (A) the character, amount, or legal status of any debt....

23. Section 1692g of the FDCPA provides in relevant part:

(a) Notice of debt; contents
Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the

consumer has paid the debt, send the consumer a written notice containing--

- (1) the amount of the debt;
- (2) the name of the creditor to whom the debt is owed;
- (3) a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt collector;
- (4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
- (5) a statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor...

24. California Financial Code section 90015(d), provides:

(1) If, in the opinion of the department, any person engages, has engaged, or proposes to engage in any activity prohibited by Section 90003 or 90004, the department may issue an order directing the person to desist and refrain from engaging in the activity, act, practice, or course of business.

(2) If that person fails to file a written request for a hearing within 30 days from the date of service of the order, the order shall be deemed a final order of the commissioner.

25. California Financial Code section 90015(c) provides, “[a]fter notice and an opportunity to be heard, the commissioner may, by order, assess penalties.”

26. California Financial Code section 90012(c) provides, in relevant part:

In any civil or administrative action brought pursuant to this division, the following penalties shall apply:

(1) Any person that violates, through any act or omission, any provision of this division shall forfeit and pay a penalty pursuant to this subdivision.

(A) The penalty amounts are as follows:

(i) For any violation of this division, rule or final order, or condition imposed in writing by the department, a penalty may not exceed the greater of either five thousand dollars (\$5,000) for each day during which the violation or failure to pay continues, or two thousand five hundred dollars (\$2,500) for each act or omission in violation

IV.**Desist and Refrain Order**

27. Based on the foregoing findings, the Commissioner is of the opinion that Oakdale and Associates is a covered person or service provider that engaged in unlawful acts or practices, in violation of California Financial Code section 90003(a)(1). Further, the Commissioner finds that Oakdale and Associates violated California Financial Code section 90003(a)(2) by offering or providing to a consumer a financial product or service not in conformity with, or otherwise committed any act or omission in violation of, the following consumer financial laws:

- a. Section 100001(a) of the DCLA;
- b. Section 1788.13(j) of the Rosenthal Act;
- c. Section 1788.17 of the Rosenthal Act;
- d. Section 1692e(2)(A) of the FDCPA;
- e. Section 1692g(a) of the FDCPA.

28. Pursuant to California Financial Code section 90015(d)(1), Oakdale and Associates and its managers, officers, directors, agents, or employees, are hereby ordered to desist and refrain from engaging in, or proposing to engage in, unlawful acts or practices in collecting or attempting to collect any consumer debt in violation of California Financial Code section 90003(a)(1), or offering or providing to a consumer any financial product or service not in conformity with any consumer financial laws, including but not limited to the following:

- a. Section 100001(a) of the DCLA;
- b. Section 1788.13(j) of the Rosenthal Act;
- c. Section 1788.17 of the Rosenthal Act;
- d. Section 1692e(2)(A) of the FDCPA;
- e. Section 1692g(a) of the FDCPA.

29. Furthermore, based on the foregoing findings, the Commissioner is of the opinion that Oakdale and Associates is a covered person or service provider that engaged in deceptive acts or practices with respect to consumer financial products or services in violation of California Financial Code section 90003(a)(1).

30. Pursuant to California Financial Code section 90015(d)(1), Oakdale and Associates and its managers, officers, directors, agents, or employees, are hereby ordered to desist and refrain from engaging in, or proposing to engage in, deceptive acts or practices in collecting or attempting to collect any consumer debt in violation of California Financial Code section 90003(a)(1).

31. This Desist and Refrain Order is necessary, in the public interest and consistent with the purposes, policies, and provisions of the CCFPL. This Desist and Refrain Order shall remain in full force and effect until further order of the Commissioner.

V.

Order Assessing Penalties

32. Pursuant to California Financial Code section 90015(c) and section 90012(c), and after due consideration of possible mitigating factors and other appropriateness considerations per California Financial Code section 90012(c)(1)(B), Oakdale and Associates is hereby ordered to pay the Commissioner a penalty of \$12,500.00 within 30 days of the date of this order. This penalty shall be made payable in the form of an Automated Clearing House deposit or cashier's check made payable to the Department of Financial Protection and Innovation. The cashier's check shall be mailed to the attention of "Accounting – Litigation" at Department of Financial Protection and Innovation, 651 Bannon Street, Suite 300, Sacramento, CA 95811. Notice of such payment shall be concurrently sent to Safa Sajadi via e-mail at Safa.Sajadi@dfpi.ca.gov.

Dated: April 16, 2025
Los Angeles, California

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division