1	KHALIL MOHSENI			
2	Commissioner MARY ANN SMITH			
2	Deputy Commissioner			
3	DANIEL P. O'DONNELL			
4	Assistant Chief Counsel SAFA SAJADI (State Bar No. 312222)			
5	Senior Counsel Department of Financial Protection and Innovation 320 W. 4th Street, Suite 750			
6	Los Angeles, California 90013-2344			
7	Attorneys for Complainant			
8	BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION			
9	OF THE STATE OF CALIFORNIA			
10	In the Matter of:			
11) 		
12	THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,) DESIST AND REFRAIN ORDER AND ORDER ASSESSING PENALTIES		
13	Complainant,	(Cal. Fin. Code § 90015(b), (c), (d)(1))		
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15	OAKDALE AND ASSOCIATES			
	Respondent.)		
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22	The Complainant, the Commissioner of Financial Protection and Innovation			
23	(Commissioner) of the Department of Financial Protection and Innovation (Department), is			
24	informed and believes, and based on such information and belief, finds as follows:			
25	I.			
26	<u>Introduction</u>			
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- The Commissioner has jurisdiction over the licensing and regulation of persons engaged in the business of debt collection in California under the Debt Collection Licensing Act (DCLA) (Cal. Fin. Code §§ 100000-100025).
- The Commissioner also has jurisdiction over the regulation of persons who engage, have engaged, and propose to engage in offering or providing a consumer financial product or service in California and affiliated service providers under the California Consumer Financial Protection Law (CCFPL) (Cal. Fin. Code §§ 90000-90019). Collecting debt relating to a consumer financial product or service is conduct covered by the CCFPL. (Cal. Fin. Code § 90005(k)(10).)
- 3. At all relevant times, Oakdale and Associates was a business entity of unknown type. There is no company registered with the California Secretary of State using the name Oakdale and Associates. Oakdale and Associates contacted California residents attempting to collect a debt using the address 453 S Spring Street Ste 400, Los Angeles, CA 90013, and misrepresented holding a physical office address which in truth belonged to other unrelated businesses. Oakdale and Associates also contacted California residents with the phone number (323) 406-8146, and misrepresented that this was a functioning business phone number.

II.

Factual Background

- 4. Beginning at least as early as May 2023, Oakdale and Associates engaged in the business of debt collection in California as further described below.
- 5. In or around May 2023, Oakdale and Associates began contacting at least one California consumer by placing telephone calls and making unlawful and/or deceptive statements to collect a consumer debt, as follows:
- The caller claimed that the consumer still owed a debt of \$4,500 related to a a. prior credit card with Providian National Bank and that Oakdale and Associates had been retained to collect the debt, when in fact that the consumer no longer had a Providian National Bank credit card since 2005.
- b. The caller made a false representation that a legal proceeding had been, was about to be, or will be instituted unless the consumer paid the purported debt, in violation of

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

- 6. The aforementioned misrepresentations were material and likely to mislead a consumer acting reasonably under the circumstances, constituting deceptive acts or practices, in violation of California Financial Code section 90003(a)(1).
- 7. Oakdale and Associates failed to provide at least one California consumer with any written notification that included the following information required pursuant to title 15 of the United States Code section 1692g(a) of the Fair Debt Collection Practices Act (FDCPA) (15 U.S.C. §§ 1692 to 1692p), within five days of its initial communication regarding the alleged debt, in violation of California Civil Code section 1788.17: (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.
- 8. The DCLA requires persons engaged in the business of debt collection in California to be licensed beginning on January 1, 2022, pursuant to California Financial Code section 100001(a). However, a debt collector who submits an application prior to January 1, 2023, i.e., by December 31, 2022, shall be allowed to operate pending the approval or denial of the application, pursuant to California Financial Code section 100000.5(a).
- 9. Oakdale and Associates has never submitted an application for a debt collector license and the Commissioner has never issued a license to Oakdale and Associates to engage in the business of debt collection in California.

10. Beginning in or around May 2023, despite lacking licensure or a pending application during that period starting from January 1, 2022, Oakdale and Associates engaged in the business of debt collection in this state by attempting to collect a debt from at least one California consumer, in violation of California Financial Code section 100001(a), and engaged in additional unlawful and/or deceptive acts or practices, as described in paragraphs 5 through 7 above.

III.

Applicable Laws

- 11. California Financial Code section 100001(a) of the DCLA provides that "[n]o person shall engage in the business of debt collection in this state without first obtaining a license."
- 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."
 - 13. California Financial Code section 100002(f) provides:
 - "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.
- 14. California Financial Code section 100002(i) defines "debt collection" as "any act or practice in connection with the collection of consumer debt."
- 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."
 - 16. California Financial Code section 90005(k) provides, in relevant part:
 - (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
 - 17. California Financial Code section 90003(a) provides in relevant part:

1		(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:		
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3		(1) Engage, have engaged, or propose to engage in any unlawful, unfair, deceptive, or abusive act or practice with respect to consumer financial		
4		products or services.		
5		(2) Offer or provide to a consumer any financial product or service not in		
6		conformity with any consumer financial law or otherwise commit any act or omission in violation of a consumer financial law		
7	18.	California Financial Code section 90005(f) provides in relevant part:		
8	16.	•		
9		(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		
10		a consumer financial product or service to a resident of this state		
11	19.	The following laws are consumer financial laws within the meaning of California		
12	Financial Code section 90003(a)(2): the DCLA, the Rosenthal Act, and the FDCPA.			
13	20.	Section 1788.13 of the Rosenthal Act provides in relevant part:		
14		No debt collector shall collect or attempt to collect a consumer debt by		
15		means of the following practices: (j) The false representation that a legal proceeding has been, is about to be, or will be instituted unless		
16		payment of a consumer debt is made		
17	21.	Section 1788.17 of the Rosenthal Act provides in relevant part:		
18		Notwithstanding any other provision of this title, every debt collector		
19		collecting or attempting to collect a consumer debt shall comply with the provisions of Sections 1692b to 1692j, inclusive, of, and shall be subject		
20		to the remedies in Section 1692k of, Title 15 of the United States Code		
21	22.	Section 1692e of the FDCPA provides in relevant part:		
22		A debt collector may not use any false, deceptive, or misleading		
23		representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following		
24		conduct is a violation of this section: (2) The false representation of—		
25		(A) the character, amount, or legal status of any debt		
26	23.	Section 1692g of the FDCPA provides in relevant part:		
27		(a) Notice of debt; contents Within five days after the initial communication with a consumer in		
28		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		

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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

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

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- 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	