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

11 In the Matter of:)
12 THE COMMISSIONER OF FINANCIAL) CONSENT ORDER
13 PROTECTION AND INNOVATION,)
14 Complainant,)
15 v.)
16 SPC Almond Point, L.P.,)
17 Respondent.)
18

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20 The Commissioner of Financial Protection and Innovation (Commissioner), and SPC
21 Almond Point, L.P. (Respondent) enter into this Consent Order.

22 **I. RECITALS**

23 A. The Commissioner has jurisdiction over the licensing and regulation of persons
24 engaged in the business of finance lending and/or brokering under the California Financing Law
25 (CFL). Cal. Fin. Code § 22000 *et seq.*

26 B. The CFL prohibits engaging in the business of a finance lender or broker without
27 obtaining a license from the Commissioner. Cal. Fin. Code § 22100.
28

1 C. Respondent is a limited liability company with its principal place of business at 20
2 Horseneck Lane, Greenwich, CT 06830.

3 D. The Commissioner has never previously issued a license to Respondent under the
4 CFL, but Respondent applied for a CFL license on February 21, 2024, and that application is
5 currently pending.

6 E. During the Commissioner’s review of this application, counsel for Respondent
7 provided information to the Commissioner showing that Respondent issued six (6) loans to
8 California borrowers between 2022 and 2023.

9 F. Based on that information, the Commissioner finds that:

10 i. Respondent made six (6) commercial loans subject to the CFL between 2022
11 and 2023; and

12 ii. Respondent made the loans without the required finance lender or broker
13 license, as applicable, from the Commissioner, in violation of California Financial Code
14 section 22100(a).

15 G. Respondent admits to the jurisdiction of the Commissioner and agrees to enter this
16 Consent Order to resolve this matter without the necessity of a hearing or litigation.

17 NOW THEREFORE, in consideration of the foregoing, and the terms and conditions set
18 forth herein, the Parties agree as follows:

19 **II. TERMS AND CONDITIONS**

20 1. Purpose. This Consent Order resolves the issues before the Commissioner, set forth
21 above, in a manner that avoids the expense of a hearing and other possible court proceedings,
22 protects consumers, is in the public interest, and is consistent with the purposes, policies, and
23 provisions of the CFL.

24 2. Finality of Consent Order. Respondent agrees to comply with this Consent Order and
25 stipulates this Consent Order is hereby deemed final.

26 3. Administrative Penalty. Respondent shall pay a penalty of \$15,000 (Penalty) for the
27 violations recited herein.

28 4. Investigative Costs. Respondent shall pay the Commissioner’s Investigative Costs

1 (Costs) in the amount of \$2,894.40.

2 5. Payment of Penalty and Costs. Respondent shall pay both the Penalty and Costs prior
3 to or concurrent with the Respondent's execution of this Consent Order. Penalty and Costs should
4 be made payable to the Commissioner in the form of a cashier's check or Automated Clearing House
5 deposit and transmitted to the attention of Accounting – Enforcement Division, Department of
6 Financial Protection & Innovation, 651 Bannan Street, Suite 300, Sacramento, CA 95811. Notice of
7 such payment shall promptly be sent to the attention of Stephanie Shea, Senior Counsel, at
8 stephanie.shea@dfpi.ca.gov. The Commissioner acknowledges receipt of payment of the Penalty
9 and Costs from Respondent before or contemporaneous with the Commissioner's execution of this
10 Consent Order.

11 6. Desist and Refrain Order. Pursuant to Financial Code section 22712, Respondent is
12 hereby ordered to desist and refrain from violating California Financial Code section 22100(a).

13 7. Review of CFL License Application. As of the Effective Date of this Consent
14 Order, the Commissioner shall proceed with its review of Respondent's CFL license application. If
15 the Commissioner approves the Respondent's CFL application and issues a CFL license to
16 Respondent, the issuance of a CFL license does not mean the Commissioner has concluded that
17 Respondent's or Respondent's affiliates' prior conduct complied with the CFL.

18 8. Waiver of Hearing Rights. Respondent acknowledges that the Commissioner is
19 ready, willing, and able to proceed with the filing of an administrative enforcement action on the
20 charges contained in this Consent Order. Respondent hereby waives the right to any hearings, and to
21 any reconsideration, appeal, or other right to review which may be afforded pursuant to the CFL, the
22 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
23 provision of law. Respondent further expressly waives any requirement for the filing of an action
24 pursuant to California Government Code Section 11415.60(b). By waiving such rights, Respondent
25 effectively consents to this Consent Order and all the terms become final.

26 9. Failure to Comply with Consent Order. Respondent agrees that if they fail to meet
27 any requirement of this Consent Order, the Commissioner may invoke all available remedies under
28 the CFL.

1 10. Information Willfully Withheld or Misrepresented. Notwithstanding paragraph 15
2 below, the Commissioner may revoke this Consent Order and may pursue any and all remedies
3 available under law against Respondent if the Commissioner discovers that Respondent knowingly
4 or willfully withheld or misrepresented material information.

5 11. Future Actions by Commissioner. If Respondent fails to comply with any terms of
6 this Consent Order, the Commissioner may institute proceedings for any and all violations otherwise
7 resolved under this Consent Order except insofar as Respondent’s obligations hereunder have been
8 otherwise performed. The Commissioner reserves the right to bring any future actions against
9 Respondent, for any and all unknown violations of the CFL or any other law under the
10 Commissioner’s jurisdiction.

11 12. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s
12 ability to assist any other government agency (whether city, county, state, or federal) with any
13 administrative, civil or criminal action brought by that agency against Respondent or any other
14 person based upon any of the activities alleged in this matter or otherwise.

15 13. Headings. The headings to the paragraphs of this Consent Order are inserted for
16 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
17 the provisions hereof.

18 14. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
19 interest.

20 15. Reliance. Each of the Parties represents, warrants, and agrees that in executing this
21 Consent Order it has relied solely on the statements set forth herein and the advice of its own
22 counsel, if represented. Each of the Parties further represents, warrants, and agrees that in executing
23 this Consent Order it has placed no reliance on any statement, representation, or promise of any
24 other party, or any other person or entity not expressly set forth herein, or upon the failure of any
25 party or any other person or entity to make any statement, representation or disclosure of anything
26 whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in
27 any way fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of
28 parol evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

1 16. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
2 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.
3 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
4 provision. No waiver by either party of any breach of, or of compliance with, any condition or
5 provision of this Consent Order by the other party will be considered a waiver of any other condition
6 or provision or of the same condition or provision at another time.

7 17. Full Integration. This Consent Order is the final written expression and the complete
8 and exclusive statement of all the agreements, conditions, promises, representations, and covenant
9 between the Parties with respect to the subject matter hereof, and supersedes all prior or
10 contemporaneous agreements, negotiations, representations, understandings, and discussions
11 between and among the Parties, their respective representatives, and any other person or entity with
12 respect to the subject matter covered hereby.

13 18. Governing Law. This Consent Order will be governed by and construed in
14 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,
15 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
16 forum to the maintenance of such action or proceeding in such court.

17 19. Counterparts. This Consent Order may be executed in one or more separate
18 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
19 together constitute a single document.

20 20. Effect Upon Future Proceedings. If Respondent is the subject of any future action by
21 the Commissioner to enforce this Consent Order, then the subject matter hereof may be used to
22 enforce the Consent Order. In consideration for Respondent's agreement to the terms of this
23 Consent Order, the Department will timely review and consider any future or pending application
24 and this Consent Order will not be the sole basis of any action to deny such application.

25 21. Voluntary Agreement. Respondent enters into this Consent Order voluntarily and
26 without coercion and acknowledges that no promises, threats or assurances have been made by the
27 Commissioner or any officer, or agent thereof, about this Consent Order. The Parties each represent
28 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and

1 without any duress or undue influence of any kind from any source.

2 22. Notice. Any notice required under this Consent Order shall be provided to each party
3 at the following addresses.

4 To Respondent: Sherry-Maria Safchuk, Partner
5 Orrick Herrington & Sutcliffe LLP
6 120 Broadway 4th Floor
7 Santa Monica, CA 90401
8 ssafchuk@orrick.com

9 To the Commissioner: Stephanie A. Shea, Senior Counsel
10 Department of Financial Protection and Innovation
11 1455 Frazee Road, Suite 315
12 San Diego, California 92108
13 Stephanie.Shea@dfpi.ca.gov

14 23. Signatures. A fax or electronic signature shall be deemed the same as an original
15 signature.

16 24. Public Record. Respondent hereby acknowledges that this Consent Order is and will
17 be a matter of public record.

18 25. Effective Date. This Consent Order shall become final and effective when signed by
19 all Parties and delivered by the Commissioner’s agent via e-mail to Respondent’s agent, Sherry-
20 Maria Safchuk, counsel for Respondent, at ssafchuk@orrick.com.

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