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BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

OF THE STATE OF CALIFORNIA

In the Matter of: THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION, Complainant, v. AMERICAN SAVING CENTER PRABJOOT SINGH NAROO, and MANJINDER SINGH, Respondents.	CITATION: (1) CITATIONS 1-5; (2) DESIST AND REFRAIN ORDER; (3) ORDER ASSESSING ADMINISTRATIVE PENALTIES; AND (4) CLAIM FOR ANCILLARY RELIEF.

The Commissioner of Financial Protection and Innovation (Commissioner) alleges, and charges as follows:

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I.

FACTUAL BACKGROUND

1. The Commissioner has jurisdiction over the licensing and regulation of persons and entities engaged in the business, for compensation, of receiving money as agent of an obligor to pay bills, invoices, or accounts of such obligor, or acting as a prorater under the Check Sellers, Bill Payers and Proraters Law (CSBPPL) (Fin. Code § 12200 et. seq).

2. At all relevant times, American Saving Center (ASC) using the website americansavingcenter.com (ASC) was an entity whose legal status is unknown. ASC's last known address is 21300 Victory Boulevard, Woodland Hills, California 91367.

3. At all relevant times, ASC maintained a now defunct website at https://americansavingcenter.com. ASC's website, at https://americansavingcenter.com/about-us/ described ASC as a company that offered customers 50% off their utility bills. ASC's website further represented that:

> Our company is an esteemed company in the USA, as we are running a great and funds-saving deal in your area [sic]. Now, you can save 50% off on your utility bills and others by just signing up with our company…. We are working in all over 50 states of the USA and provide discounts to our customers with the peak of satisfaction. American Saving Center gives you a platform where you can save your money for better living standards…. We are … retailers for different companies, … including T-Mobile, Verizon Wireless, AT&T, Comcast, Xfinity, PG&E, PSE, Coned, Toyota Financial Services, Wells Fargo Bank, Bank of America, Chase Bank and Provident Funding and so on.

4. Prabjoot Singh Naroo (Naroo), is, or was, an individual who held himself out to customers as an affiliate or officer of ASC. Based on information and belief, the Commissioner alleges that Naroo is, or was, at all material times, an officer or employee of ASC.

5. Manjinder Singh (Singh) is, or was, an individual who held himself out to customers as an affiliate or officer of ASC. Based on information and belief, the Commissioner alleges that Singh is, or was, at all material times, an officer or employee of ASC. Naroo, Singh, and ASC are

hereafter referred to collectively as Respondents.

6. Based on information and belief, the Commissioner alleges that Respondents Naroo and Singh, are dividually, severally, or jointly "control" persons of ASC as that term is defined by Corporations Code section 160.

II.

VIOLATION OF FINANCIAL CODE SECTION 12200

(UNLICENSED PRORATER ACTIVITY)

7. Beginning in or about November 2024, Respondents, for compensation, acted as proraters and/or received money from at least one California resident for the purpose of paying the California resident's bills, invoices, or accounts. Further, Respondents accepted at least twenty-four thousand, three hundred and fifty dollars ($24,350) from one California resident, promising to forward it to others to pay off the California resident's utility bills. Respondents did this without first obtaining a license from the Commissioner.

8. On or about November 9, 2024, Respondents, through their website, email, and/or WhatsApp account, solicited the California customer, representing that ASC was affiliated with third-party finance services providers. On November 9, 2024, Singh sent the California resident, via email, solicitation materials concerning ASC and describing the following "Terms & Conditions:"

> Terms & Conditions:
> We offer a wide range of services to meet every type of requirement
>
> - 50% BILL WAVE OFF ANNUALLY
> - NO CREDIT CARD INFORMATION REQUIRED
> - NO CONFIDENTIAL INFORMATION REQUIRED
> - EASY TO PAY
> - ASSURE AND THEN PAY
> - NO TAXES
> - PAY WITHIN 24-48 HOURS AFTER CONFIRMATION OF YOUR PAYMENT.
> - WE ONLY ACCEPT PAYMENT THROUGH CASHIER CHECKS [sic], MONEY ORDERS, OR ZELLE, VENMO AND CASHAPP.

9. After soliciting the California resident, Respondents offered to pay the California resident's existing bills, including telephone bills, car loans, and mortgage payments, at a 50%

discount. Respondents initially deposited $300 into the California resident's American Telephone and Telegraph (AT&T) account, as "proof of concept," allegedly to demonstrate their legitimacy and gain the California resident's trust and confidence.

10. Trusting in Respondents' legitimacy based on the $300 that the Respondents paid towards the California resident's utility bills and the representations made to the customer directly and on the website, the California resident sent payments to Respondents at Respondents' direction periodically from November 27 to December 14, 2024. Total payments were $24,350.

11. Respondents submitted further payments toward the California resident's AT&T, auto loan, and mortgage payments in the amount of $24,000. About five days after the California resident sent approximately $24,350 to Respondents, all the payments Respondents had previously paid toward the California resident's bills were reversed.

12. Following the reversal, Singh contacted the California resident stating that a "refund check" would be issued to the California resident. Singh demanded that the California resident first pay "associated fees" to Respondents for their services before the refund check would be issued.

13. The California resident received additional phone calls from an individual from ASC who identified himself as "Amreek Singh (Amreek)." Amreek told the California resident that Respondents had opened a case regarding the California resident's refund. Amreek demanded further payments, which he stated represented "fees" from the California resident, stating that the refund would not be issued unless the "fees" were paid.

14. The California resident declined to send further payments to Respondents, and to date, the California resident has received neither a refund from Respondents nor confirmation that Respondents have applied the $24,350 the California resident deposited into Respondents' account toward repayment of the California resident's utility bills, auto loan, or mortgage as Respondents promised.

15. On or about March 3, 2025, the Commissioner's examiner attempted to contact Respondents via email at info@americansavingcenter.com to inquire about Respondents' services. The examiner did not receive any response to his email. The examiner further attempted to contact the Respondents at the telephone number listed on Respondents' website, but the telephone number

was no longer in use.

16. Financial Code section 12200 prohibits anyone from engaging in the business, for compensation, of receiving money as agent of an obligor to pay bills, invoices, or accounts of such obligor, or acting as a prorater. Further, an individual may not, except with direct compensation and as an authorized agent for a utility company, accept money for the purpose of forwarding it to others In payment of utility bills, without first obtaining a license from the Commissioner.

17. The Commissioner has not issued a license authorizing ASC, Naroo or Singh to engage in the business of receiving money as an agent of an obligor for the purpose of paying the obligor's bills, invoices, or accounts, or acting as a prorater, or accepting money for the purpose of forwarding it to others in payment of utility bills.

18. The Check Sellers, Bill Payers and Proraters Law (CSBPPL), set forth in Financial Code section 12200, prohibits anyone from engaging "… in the business, for compensation, … of receiving money as agent of an obligor for the purpose of paying bills, invoices, or accounts of such obligor, or acting as a prorater …" without first obtaining a license from the Commissioner.

19. Respondents have, through their website, email and WhatsApp account, offered to act and acted as a prorater. Financial Code section 12002.1. defines a prorater as "a person who, for compensation, engages in whole or in part in the business of receiving money or evidences thereof for the purpose of distributing the money or evidences thereof among creditors in payment or partial payment of the obligations of the debtor."

20. The Commissioner has not issued a license authorizing ASC, Singh or Naroo to act as a prorater or receive money on behalf of consumers to negotiate repayment plans with consumers' creditors, and the Respondents are not exempt from the licensing requirements of the CSBPPL.

21. Respondents demanded "service fees" of $5,000 from the California resident without first satisfying the requirement prescribed under Financial Code section 12315, which provides that "A prorater shall not receive any fee unless he has the consent of at least 51 percent of the total amount of indebtedness and of the number of creditors listed in the prorater's contract with the debtor, or such like number of creditors have accepted a distribution of payment."

22. The Respondents did not provide the notification prescribed under Financial Code

section 12315.1 to the California resident, which states:

> [a] prorater shall notify, in writing, all creditors listed in the prorate contract of the debtor's desire to engage the services of the prorater within five days of the effective date of the contract as defined in Section 12320. The notification shall include a notice as to the proposed monthly payment to be made to the creditor. Every contract between a prorater and a debtor shall list every debt to be prorated with the creditor's name, and disclose the total of all such debts.

23. The Respondents did not deliver a receipt of payment of the California resident's debt as required under Financial Code section 12321, which provides that "unless paid by check or money order, a prorater shall deliver a receipt to a debtor for each payment within five (5) days after receipt of a payment."

24. The Respondents failed to render an account to the California resident in violation of Financial Code section 12322, which provides:

> At least once in each six (6) months, the prorater shall render an accounting to the debtor which shall itemize the total amount received from the debtor, the total amount paid to each creditor, the total amount which any creditor has agreed to accept as payment in full on any debt owed him by the debtor, the amount of charges deducted, and any amount held in reserve. A prorater shall in addition render such an account to a debtor within seven days after written demand.

III.

AUTHORITY TO ISSUE CITATIONS, DESIST AND REFRAIN ORDER, ORDER ASSESSING ADMINISTRATIVE PENALTIES, AND CLAIM FOR ANCILLARY RELIEF

25. Financial Code section 12107(a) provides in pertinent part:

> If, upon inspection or investigation, based upon a complaint or otherwise, the department has cause to believe that a person is engaged in business without a license, or a person or licensee is violating any provision of this division or any rule or order promulgated pursuant to this division, the department may issue a citation to that person in writing describing with particularity the basis of the citation. Each citation may contain an order to desist and refrain and an assessment of an administrative penalty not to exceed two thousand five hundred dollars ($2,500). All penalties collected under this section shall be deposited in the State Corporations Fund.

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26. Financial Code section 12107(c) provides that:

> If within 30 days from the receipt of the citation, the person cited fails to notify the department that the person intends to request a hearing as described in subdivision (d), the citation shall be deemed final.

27. Financial Code section 12107(d) provides that:

> Any hearing under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

28. Financial Code section 12105(b) provides in pertinent part:

> If the commissioner determines it is in the public interest, the commissioner may include in an action under this division a claim for ancillary relief, including, but not limited to a claim for restitution or disgorgement or damages on behalf of the persons injured by the act or practice constituting the subject matter of the action, and the administrative or civil court shall have jurisdiction to award an additional relief.

29. Financial Code section 12105(e) provides in pertinent part:

> In any action brought under this division, the commissioner is entitled to receive costs, which in the discretion of the administrative or civil court shall include an amount representing reasonable attorney's fees and any related expenses for services rendered.

30. Financial Code section 12106(e) further provides:

> The cost of any review, examination, audit, or investigation made by the commissioner under this section shall be paid to the commissioner by the person subject to the review, examination, audit, or investigation, and the commissioner may maintain an action for the recovery of these costs in any court of competent jurisdiction. In determining the cost, the commissioner may use the actual amount of the salary or other compensation paid to the persons making the review, examination, audit, or investigation plus the actual amount of expenses, including overhead reasonably incurred in the performance of the work.

IV.

CITATIONS 1-5

Based on the foregoing, the Respondents have engaged in the business, for compensation, of receiving money as agents of at least one California resident for the purpose of paying bills, invoices, or accounts of the California resident, or have acted as proraters in violation of Financial Code section 12200, and based thereon the Commissioner herein issues five separate Citations

(1 through 5) as follows:

CITATION 1 – Beginning in or about November 2024, Respondents engaged in the business, for compensation, of receiving money as agents of an obligor for the purpose of paying bills, invoices, or accounts of such obligor, and thereby acted as “proraters” under California state law, without first obtaining a license from the Commissioner, in violation of Financial Code section 12200;

CITATION 2 – Beginning in or about November 2024, Respondents acted as “proraters” without first obtaining a license from the Commissioner, and demanded an upfront fee of $5,000 from at least one California resident without first satisfying the requirements prescribed under state law in violation of Financial Code section 12315;

CITATION 3 – Beginning in or about November 2024, Respondents acted as “proraters” without first obtaining a license from the Commissioner, and failed to provide the notification prescribed under state law in violation of Financial Code section 12315.1;

CITATION 4 – Beginning in or about November 2024, Respondents acted as “proraters” without first obtaining a license from the Commissioner, and failed to deliver a receipt of payment of at least one California resident’s debt in violation of Financial Code section 12321;

CITATION 5 – Beginning in or about November 2024, Respondents acted as “proraters” without first obtaining a license from the Commissioner and failed to render an accounting to at least one California resident in violation of Financial Code section 12322.

These Citations are necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies, and provisions of the California finance laws. These citations shall become final pursuant to Financial Code section 12107(c) if, within 30 days from the receipt of this Citation, the person cited fails to notify the department that the person intends to request a hearing.

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V.

DESIST AND REFRAIN ORDER

Based on the foregoing, the Respondents have engaged in the business, for compensation, of receiving money as agents of at least one California resident for the purpose of paying bills, invoices, or accounts of the California resident, or acted as proraters by receiving money from at least one California resident for the purpose of distributing the money among creditors in payment or partial payment of the obligations of the California resident, without first obtaining a license from the Commissioner in violation of Financial Code section 12200.

IT IS HEREBY ORDERED EFFECTIVE IMMEDIATELY THAT:

Pursuant to section 12107(a) of the Financial Code, Respondents, American Saving Center, Prabjoot Singh Naroo, and Manjinder Singh are hereby ordered to desist and refrain from engaging in the business, for compensation, of receiving money as agents of an obligor for the purpose of paying bills, invoices, or accounts of such obligor, or acting as proraters without first obtaining a license from the Commissioner.

This Desist and Refrain Order is necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies, and provisions of the California finance laws.

VI.

ADMINISTRATIVE PENALTIES

Based on the foregoing, the Respondents have engaged in the business, for compensation, of receiving money as agents of at least one California resident for the purpose of paying bills, invoices, or accounts of the California resident, or have acted as proraters in violation of Financial Code section 12200, and based thereon the Commissioner herein issues five separate Citations.

WHEREFORE, good cause showing and the Commissioner has determined that this action is in the public interest and necessary to effectuate the Department of Financial Protection and Innovation's (Department's) primary, legitimate, regulatory purpose based upon the Respondents' violations of the Financial Code.

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IT IS HEREBY ORDERED pursuant to Financial Code section 12107(a) that an administrative penalty of $12,500 is assessed against Respondents, American Saving Center, Prabjoot Singh Naroo, and Manjinder Singh, who are individually, jointly, and severally liable to pay $2,500 for each of the 5 citations (citations 1 through 5), for a total of $12,500. Respondents shall pay the amount of $12,500 ordered herein within 60 days from the date of this Order to the Department, by check or money order made payable to the Department of Financial Protection and Innovation and sent to Uche Enenwali, Senior Corporations Counsel, 320 West 4th Street, Suite. 750, Los Angeles, California 90013.

This Order Assessing Administrative Penalties is necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies, and provisions of the California finance laws. This Order Assessing Administrative Penalties shall become final pursuant to Financial Code section 12107(c) if within 30 days from the receipt of this Citation, the person cited fails to notify the department that the person intends to request a hearing.

VII.

CLAIM FOR ANCILLARY RELIEF

Based on the foregoing, Respondents ASC, Naroo, and Singh have engaged in the business, for compensation, of receiving money as an agent of an obligor for the purpose of paying bills, invoices, or accounts of such obligor, or acting as a prorater, in violation of Financial Code section 12200.

WHEREFORE, good cause showing and the Commissioner's determination that this action is in the public interest and necessary to effectuate the Department's primary, legitimate, regulatory purpose based upon the Respondents' violations of the Financial Code, the Commissioner hereby prays for an order of ancillary relief (consisting of rescission, restitution, disgorgement and payment of costs and attorneys' fees) pursuant to Financial Code section 12105(b), against Respondents ASC, Naroo and Singh, who are liable individually, jointly and severally, as follows:

a) Rescind each and all of the unlawful transactions alleged in paragraphs 5, 17-22, above, pursuant to Financial Code section 12105(b);

b) Pay full restitution to each person determined to have been subject to acts, practices, or transactions which constitute violations of Financial Code section 12200 as described in paragraphs 5, 17-22 above, in an amount of at least $24,350, or according to proof;

c) Disgorge to all known consumers all benefits received, including but not limited to, salaries, commissions, fees, profits, and any other remuneration, derived directly or or indirectly, from the actions or practices which constitute violations of Financial Code section 12200;

d) Pay the legal rate of interest on the principal amount paid by each and every consumer from the date of their payment to the date of the order herein; and

e) Pay the Commissioner attorney fees, investigative expenses, and costs in an amount of $15,000, or according to proof.

This Claim for Ancillary Relief is necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies, and provisions of the California finance laws.

CONCLUSION

Based on the foregoing, good cause exists for this action, and the Commissioner has determined that this action is in the public interest and necessary to effectuate the Department's primary, legitimate, regulatory purpose based upon the Respondents' violations of the Financial Code.

Dated: August 25, 2025
Los Angeles, California

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation

By ______________________________
MARY ANN SMITH
Deputy Commissioner
Enforcement Division