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2 **STATE OF CALIFORNIA**
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Federated Financial Services Limited, doing business as PaydayNation.com
6 Office 107 Great Northern House, 275 Deansgate
7 Manchester, United Kingdom M3 4EL
8 and
9 www.paydaynation.com

10 **DESIST AND REFRAIN ORDER**
11 **(For violation of section 23005 of the Financial Code)**

12 The California Corporations Commissioner finds that:

13 1. At all relevant times, Federated Financial Services Limited (“Federated Financial”)
14 maintained a principal place of business at Office 107 Great Northern House, 275 Deansgate,
15 Manchester, United Kingdom M3 4EL.

16 2. Federated Financial does business as PaydayNation.com. Federated Financial
17 maintains a website at www.paydaynation.com.

18 3. Beginning in 2012 or earlier, Federated Financial offered to make deferred deposit
19 transactions on its website. The website provides: “Federated Financial Services Limited, dba
20 PaydayNation.com is an online provider of cash advance services in the short term lending market.”
21 The website provides that the loan amount will be deposited into the customer’s bank account and
22 that the loan amount plus fees will be withdrawn from the customer’s bank account on his or her next
23 pay date.

24 4. In 2012, Federated Financial entered into a written agreement with at least one
25 California resident (“Client”) for a deferred deposit transaction. The Client authorized Federated
26 Financial to withdraw payments electronically from the Client’s checking account.

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5. California Financial Code section 23050 provides, in pertinent part:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division.

Pursuant to Financial Code section 23050, Federated Financial Services Limited, doing business as PaydayNation.com, is hereby ordered to desist and refrain from engaging in the business of deferred deposit transactions in the State of California without first obtaining a license from the Commissioner, or otherwise being exempt. This Desist and Refrain order is necessary for the protection of consumers and consistent with the purposes, policies and provisions of the California Deferred Deposit Transaction Law (Cal. Fin. Code § 23000 et seq.).

Dated: January 28, 2013
Sacramento, California

JAN LYNN OWEN
California Corporations Commissioner

By _____

MARY ANN SMITH
Deputy Commissioner
Enforcement Division