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6 Attorneys for Complainant
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA
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11 In the Matter of the Accusation of THE)
CALIFORNIA CORPORATIONS)
12 COMMISSIONER,)

File No.: 100-4121

13 Complainant,)

**(1) ACCUSATION TO SUSPEND
DEFERRED DEPOSIT TRANSACTION
ORIGINATOR LICENSE; AND**

14 vs.)

(2) CITATIONS

15 ABKO 247, INC., DBA CASH PLUS #208,)
16)

17 Respondent.)
18)
19)
20)

21 Complainant, the California Corporations Commissioner (“Commissioner”), is informed and
22 believes, and based upon such information and belief, alleges and charges Respondent as follows:

23 **I.**

24 **RESPONDENT**

25 At all relevant times herein, Respondent ABKO 247, Inc., DBA Cash Plus #208
26 (“Respondent” or “ABKO”) is a deferred deposit transaction originator licensed by the
27 Commissioner pursuant to the California Deferred Deposit Transaction Law (Financial Code § 23000
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1 et seq.) (“CDDTL”). Respondent’s principal place of business is located at 11230 Garvey Ave.,
2 Suite C, El Monte, California 91733.

3 Respondent’s license was originally issued under the name of ABKO 247, Inc., DBA Cash
4 Plus Store #208. On March 11, 2011, in order to address a name correction on Respondent’s license,
5 the Commissioner issued an amendment changing Respondent’s licensed name from ABKO 247,
6 Inc., DBA Cash Plus Store #208 to ABKO 247, Inc., DBA Cash Plus #208.

7 **II.**

8 **FACTUAL BACKGROUND**

9 On February 28, 2011, the Commissioner commenced a regulatory examination of the books
10 and records of ABKO. The regulatory examination disclosed, among other things, that:

11 1. ABKO did not maintain the required records demonstrating the minimum net worth
12 requirement in compliance with section 23007 of the Financial Code and California Code of
13 Regulations, title 10, section 2025, subdivision (b); and

14 2. ABKO failed to meet the minimum net worth requirement of twenty-five thousand
15 dollars (\$25,000). Pursuant to section 23007 of the Financial Code, a licensee, regardless of the
16 number of licensed locations, shall maintain a net worth of at least twenty-five thousand dollars
17 (\$25,000) at all times.

18 From May 20, 2011 to August 19, 2011, the Commissioner has made numerous requests of
19 ABKO to provide statements demonstrating compliance with the net worth requirements but to date
20 Respondent has failed to comply with these requests.

21 By reason of Respondent’s violations of the CDDTL, the Commissioner seeks to suspend the
22 deferred deposit transaction originator license of ABKO. In addition, the Commissioner has also
23 issued two (2) citations in the amount of two thousand five hundred dollars (\$2,500) per citation
24 pursuant to Financial Code section 23058.

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III.
CITATIONS

Financial Code section 23058 provides in pertinent part:

(a) If, upon inspection, examination or investigation, based upon a complaint or otherwise, the department has cause to believe that a person is . . . violating any provision of this division or any rule or order thereunder, the department may issue a citation to that person in writing, describing with particularity the basis of the citation. Each citation may contain . . . an assessment of an administrative penalty not to exceed two thousand five hundred dollars (\$2,500)

(b) The sanctions authorized under this section shall be separate from, and in addition to, all other administrative, civil, or criminal remedies.

(c) If within 30 days from the receipt of the citation of 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.

. . . .

The regulatory examination conducted by the Commissioner on February 28, 2011 disclosed the following violations at ABKO:

(1) **Citation 1:** ABKO did not maintain the required records demonstrating the minimum net worth requirement in compliance with section 23007 of the Financial Code and California Code of Regulations, title 10, section 2025, subdivision (b). ABKO was informed of this violation during the regulatory examination.

(2) **Citation 2:** ABKO failed to meet the minimum net worth requirement of twenty five thousand dollars (\$25,000). Pursuant to section 23007 of the Financial Code, a licensee, regardless of the number of licensed locations, shall maintain a net worth of at least twenty-five thousand dollars (\$25,000) at all times.

Pursuant to Financial Code section 23058, ABKO is hereby ordered to pay within thirty (30) days from the date of the issuance of these citations, an administrative penalty of two thousand five hundred dollars (\$2,500) for each of the two (2) citations listed below for a total of five thousand dollars (\$5,000).

(1) CITATION 1 - \$2,500

1 (2) CITATION 2 - \$2,500

2 The Citations shall remain in full force and effect until further order of the Commissioner.

3 **IV.**

4 **SUSPENSION OF DEFERRED DEPOSIT TRANSACTION ORIGINATOR LICENSE**

5 Financial Code section 23052 provides in pertinent part:

6 The commissioner may suspend or revoke any license, upon notice and reasonable
7 opportunity to be heard, if the commissioner finds any of the following:

8 (a) The licensee has failed to comply with any demand, ruling, or requirement
9 of the commissioner made pursuant to and within the authority of this division.

10 (b) The licensee has violated any provision of this division or any rule or
11 regulation made by the commissioner under and within the authority of this division.

12 (c) A fact or condition exists that, if it had existed at the time of the original
13 application for the license, reasonably would have warranted the commissioner
14 in refusing to issue the license originally.

15 The Commissioner finds that, by reason of the foregoing, ABKO has violated Financial Code
16 section 23007 and California Code of Regulations, title 10, section 2025, subdivision (b), which are
17 grounds to suspend the deferred deposit transaction license of ABKO.

18 WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of ABKO be
19 suspended for a period of at least one (1) month or until such time as: 1) ABKO demonstrates
20 compliance with section 23007 of the Financial Code and California Code of Regulations, title 10,
21 section 2025, subdivision (b) which requires each licensee to maintain records demonstrating the
22 minimum net worth requirement; and 2) until such time as ABKO meets its minimum net worth
23 requirement of \$25,000, whichever is longer.

23 Dated: January 19, 2012
24 Los Angeles, California

JAN LYNN OWEN
California Corporations Commissioner

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26 By: _____
ALAN S. WEINGER
27 Deputy Commissioner
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