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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: **Active Statewide Funding, Inc.**
Peter Chao
Phoebe Chao
150 N. Santa Anita Ave., #490
Arcadia, California 91006

DESIST AND REFRAIN ORDER

(For violations of the California Finance Lenders Law, Financial Code Section 22100)

The California Corporations Commissioner finds that:

1. At all relevant times, Active Statewide Funding, Inc. (“Active Statewide Funding”) is a California corporation whose principal place of business is located at 150 N. Santa Anita Ave., #490, Arcadia, California 91006. Active Statewide Funding is in the business of acting as a finance lender or broker. It purportedly had \$5,000,000.00 in available financing granted by the Obama administration that was available to small business owners for lending.

2. Active Statewide Funding was previously licensed by the California Corporations Commissioner as a finance lender pursuant to the California Finance Lenders Law (Fin. Code, § 22000 et seq.) on May 5, 2005. Active Statewide Funding subsequently surrendered its license, effective July 17, 2008.

3. At all relevant times, Peter Chao is the president, operator and registered agent of Active Statewide Funding. Peter Chao is also licensed by the California Department of Real Estate as a real estate broker.

4. At all relevant times, Phoebe Chao operates and works for Active Statewide Funding.

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1 5. Since at least March 2009, Active Statewide Funding, Peter Chao and Phoebe Chao
2 engaged in the business of a finance lender or broker by contracting with at least seventeen (17)
3 California residents in order to obtain loans on their behalf.

4 6. Active Statewide Funding, Peter Chao and Phoebe Chao solicited clients through
5 advertisements in the World Journal Chinese Daily News, a Chinese language newspaper. An
6 advertisement dated January 31, 2009, in Chinese, when translated to English read, “Do you need
7 money urgently? Do you want to be your own boss? Do you want to pay off all your debts? We can
8 help you to obtain funds in the amount from \$100,000 – \$200,000. All you need is a credit score of
9 700 and above. It is that simple! (It will not affect your credit). Cell number 626-831-3363 or 626-
10 627-0811. We certainly will be able to help you.” The telephone numbers are those belonging to
11 Peter Chao and Phoebe Chao, respectively.

12 7. At all relevant times, Active Statewide Funding, Peter Chao and Phoebe Chao
13 targeted members of the Chinese community.

14 8. Active Statewide Funding’s license issued by the Commissioner was surrendered
15 effective July 17, 2008, and Active Statewide Funding or Peter Chao is no longer authorized to
16 engage in the business of a finance lender. Moreover, the Commissioner has not issued a license to
17 Phoebe Chao to engage in the business of a finance lender or broker as required by California
18 Financial Code section 22100.

19 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
20 that Active Statewide Funding, Peter Chao, and Phoebe Chao engaged in the business of a finance
21 lender and/or broker in violation of the California Finance Lenders Law, Financial Code section
22 22100. Pursuant to Financial Code section 22712, Active Statewide Funding, Inc., Peter Chao, and
23 Phoebe Chao are hereby ordered to desist and refrain from engaging in the business of a finance
24 lender or broker in the State of California without first obtaining a license from the Commissioner.

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This Order is necessary, in the public interest, for the protection of borrowers and consistent with the purposes, policies, and provisions of the California Finance Lenders Law.

Dated: December 12, 2011
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division