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9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of: )  
12 THE COMMISSIONER OF BUSINESS ) CFL LICENSE NO: 60DBO-44859  
13 OVERSIGHT, ) ACCUSATION  
14 Complainant, )  
15 v. )  
16 CAPITAL GROUP FINANCIAL, INC. )  
17 Respondent. )  
18 )  
19 )

20 The Complainant is informed and believes, and based upon such information and belief,  
21 alleges and charges Respondent as follows:

22 I.

23 **Introduction**

24 1. Capital Group Financial, Inc. ("CGF") is licensed by the Commissioner of Business  
25 Oversight ("Commissioner") as a finance lender pursuant to the California Finance Lenders Law  
26 ("CFLL") (Fin. Code §22000 et seq.). CGF has its principal place of business located at 895 Dove  
27 Street, Ste. 300, Newport Beach, California 92612.  
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**II.**

**Failure to Meet Net Worth Requirements**

2. Pursuant to Financial Code section 22104 of the CFLL, all lenders and/or brokers licensed under the CFLL are required to maintain a net worth of \$25,000.00.

3. Pursuant to Financial Code section 22159, all licensees under the CFLL are required to file with the Commissioner an Annual Report that details its CFLL activities and also includes a financial statement for the calendar year ended December 31. On or about May 9, 2016, CGF filed its Annual Report for the calendar year 2015 with the Commissioner. The 2015 Annual Report revealed that CGF had a net worth deficiency of \$25,000.00.

4. On or about August 9, 2016, the Commissioner made written demand on CGF to submit a balance sheet for the period ended June 30, 2016 showing compliance with the net worth requirements of Financial Code section 22104 on or before August 26, 2016. CGF did not submit a balance sheet for the period ended June 30, 2016 as demanded.

5. On or about September 29, 2016, further written demand was sent to CGF to submit a balance sheet for the period ended September 30, 2016 showing compliance with the net worth requirements of Financial Code section 22104 on or before October 7, 2016 or the Commissioner would commence revocation proceedings. CGF has yet to submit a balance sheet or any other financial statement that evidences compliance with the net worth requirements of Financial Code section 22104.

**III.**

**Revocation Statute**

6. Financial Code section 22714 provides in pertinent part:

(a) The commissioner shall suspend or revoke any license, upon notice and reasonable opportunity to be heard, if the commissioner finds any of the following:

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

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

**IV.**

**Conclusion**

7. The Commissioner finds that, by reason of the foregoing, CGF has violated Financial Code section 22104, and based thereon, grounds exist to revoke the finance lender license of CGF pursuant to Financial Code section 22714.

**V.**

**Prayer**

WHEREFORE, IT IS PRAYED that:

Pursuant to Financial Code section 22714, the finance lender and/or broker license of Respondent Capital Group Financial, Inc. be revoked.

Dated: October 18, 2016  
Los Angeles, California

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
UCHE L. ENENWALI  
Senior Counsel  
Enforcement Division