1	MARY ANN SMITH		
2	Deputy Commissioner SEAN M. ROONEY		
3	Assistant Chief Counsel		
4	ADAM WRIGHT (State Bar No. 262378) Senior Counsel		
5	Department of Business Oversight 320 West 4th Street, Suite 750		
6	Los Angeles, CA 90013		
7	Telephone: (213) 576-7523 Facsimile: (213) 576-7181		
8	Attorneys for Complainant		
9			
10			
11	BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT		
12	OF THE STATE OF CALIFORNIA		
13			
14	In the Matter of:) CFL LICENSE NO.: 603-H297	
15	THE COMMISSIONER OF BUSINESS) CITATION PURSUANT TO FINANCIAL	
16	OVERSIGHT,) CODE SECTION 22707.5	
17	Complainant, v.))	
18	v.		
19	CASHBAK, LLC,		
20			
21	Respondent.))	
22			
23	Jan Lynn Owen, the Commissioner of Business Oversight (Commissioner), finds the following		
24	I.		
25	FACTUAL BACKGROUND		
26	Cashbak, LLC, is a California limited liability company (Cashbak), with a		
27	principal place of business at 43875 Washington Street, Suite G, Palm Desert, California 92211.		
28			
	1		

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

2.	Cashbak is licensed as a finance lender under the California Financing Law (Fin.		
Code, § 22000, et seq.) (CFL) ¹ with license number 603-H297.			
3.	On October 15, 2014, the Commissioner commenced a regulatory examination of		
a Cashbak b	oranch office located at 9172-B Foothill Boulevard, Rancho Cucamonga, California		
91730 (Exa	m).		

- 4. In the course of the Exam, the Commissioner became concerned that Cashbak was steering consumers looking for loans of less than \$2,500.00, which bear interest rates of less than 30 percent under the CFL, into loans of more than \$2,500.00, which would bear interest rates of greater than 100 percent based upon Cashbak's typical practice.
- 5. As a result, the Commissioner conducted an investigation into Cashbak's marketing practices. During the investigation, Cashbak representatives made the following statements and representations about the rates, terms or conditions of loans Cashbak made under its CFL licenses.
- On September 29, 2015, in an online chat, a Cashbak representative was a. asked whether Cashbak made loans of \$1,700.00. The Cashbak representative stated, "Our title loans start at \$2600, however there are no prepayment penalties if you need less."
- b. On October 29, 2015, at a Cashbak branch location in Jurupa Valley, California, a Cashbak representative stated that Cashbak could not offer loans of less than \$2,500.00 because of their state license.
- On November 13, 2015, at a Cashbak branch location in Rancho c. Cucamonga, California, a Cashbak representative stated that Cashbak only offered loans of more than \$2,500.00 because of a state law and not because of any internal Cashbak policy.

II.

CITATION

5. Financial Code section 22707.5, subdivision (a), provides in relevant part:

²⁷ ¹ Effective October 4, 2017, the name of the "California Finance Lenders Law" changed to the "California 28

Financing Law." (Assem. Bill No. 1284 (2017-2018 Reg. Sess.) § 4.) For purposes of this Citation, a reference to the California Financing Law means the California Finance Lenders Law before October 4, 2017 and the California Financing Law on and after that date. (Fin. Code, § 22000.)

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

(a) If, upon inspection, examination, or investigation, the 1 commissioner has cause to believe that a licensee or other person is violating any provision of this division or any rule or order 2 thereunder, the commissioner or his or her designee, may issue a 3 citation to the licensee or person in writing, describing with particularity the basis of the citation . . . In addition, each citation 4 may assess an administrative fine not to exceed two thousand five hundred dollars (\$2,500) 5 6 Based on the foregoing, Cashbak, in violation of Financial Code 22161, subdivision (a)(2), 7 advertised, printed, displayed, published, distributed, or broadcast, or caused or permitted to be 8 advertised, printed, displayed, published, distributed, or broadcast statements or representations with 9 regard to the rates, terms, or conditions for making or negotiating loans, that is false, misleading, or 10

fine of \$1,500.00 pursuant to Financial Code section 22707.5, subdivision (a).

Cashbak is hereby ordered to pay the Commissioner an administrative fine of \$1,500.00 for the above citation within 30 days from the date of this citation. Cashbak shall pay this fine with a cashier's check made payable to the Department of Business Oversight and shall submit that check to the following address within thirty (30) days from the date of this citation: ATTN: Accounting – Litigation, Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment shall be sent to: Adam Wright, Senior Counsel, Department of Business Oversight, 320 W. 4th Street, Suite 750, Los Angeles, California 90013.

deceptive, or that omits material information that is necessary to make the statements not false,

misleading, or deceptive in violation. The Commissioner hereby assesses Cashbak an administrative

Dated: March 9, 2018 JAN LYNN OWEN
Sacramento, California Commissioner of Business Oversight

By: ______
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

-3-