

1 WAYNE STRUMPFER
Acting California Corporations Commissioner
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11	In the Matter of the Statement of Issues of THE)	File Nos.: 100-2527; 100-2528; 100-2529; &
12	CALIFORNIA CORPORATIONS)	100-2530
13	COMMISSIONER,)	
14	Complainant,)	ORDER DENYING CALIFORNIA
15	vs.)	DEFERRED DEPOSIT TRANSACTION
16	SAVERIO LANNI doing business as CHECK)	LICENSE APPLICATIONS
17	EXCHANGE,)	
18	Respondent.)	

19 Pursuant to the Settlement Agreement entered into between Saverio Lanni, individually and
20 doing business as Check exchange (“Lanni”) and the California Corporations Commissioner
21 (“Commissioner”) on December 14, 2005, the four applications for California Deferred Deposit
22 Transaction Law licenses filed by Lanni on March 14, 2005 are hereby denied. This Order is
23 effective as of the date hereof.

24 Pursuant to the terms of the Settlement Agreement, Lanni admits the following, but not for
25 the purpose of any actions or proceedings brought by third parties:

- 26 1. On March 14, 2005, Lanni filed four (4) applications for deferred deposit transaction
27 licenses (File Nos. 100-2527; 100-2528; 100-2529; and 100-2530 hereinafter "applications") with
28 the Commissioner pursuant to the California Deferred Deposit Transaction Law (“CDDTL”)

1 (Financial Code sections 23000 et. seq.), in particular, California Financial Code section 23005. The
2 applications were for locations situated at 14050 Cherry Avenue, Suite M, Fontana, California
3 92337; 43384 E. Florida Avenue, Suite F, Hemet, California 92544; 1015 E. Florida Avenue,
4 Hemet, California 92544; and 2148 ½ W. Lomita Boulevard, Lomita, California 90717.

5 2. The initial application at Question #7 asked specifically: “Has the applicant ever been
6 subject to an administrative action in California or any other state? If so, please provide details and
7 attach a copy of any action. Lanni answered in the negative. Lanni executed the application under
8 penalty of perjury that all of the information submitted in his application was true and correct.

9 3. The initial application filed by Lanni included a Statement of Identity and
10 Questionnaire (“SIQ”) for Lanni as required by the CDDTL. The SIQ at Question #4 asked
11 specifically: “Have you ever been refused a license to engage in any business in this state or any
12 other state, or has any such license been suspended or revoked? Lanni answered in the negative.
13 Lanni executed the SIQ under penalty of perjury that all of the information submitted in his SIQ was
14 true and correct.

15 4. On January 2, 1980, the Department of Real Estate had revoked the salesperson
16 license it had issued to Lanni. Accordingly, Lanni’s answers to Question #7 in the initial application
17 and Question #4 in the SIQ were false.

18 5. On May 16, 2005, the Commissioner commenced an examination of Lanni to
19 determine if Lanni was engaging in unlicensed deferred deposit transaction business. The
20 examination revealed that Lanni had originated at least 2,583 deferred deposit transactions from
21 January 1, 2005 through at least June 3, 2005 without a CDDTL license in violation of California
22 Financial Code section 23005.

23 6. Lanni was aware that a CDDTL license was required in order to engage in the
24 business of deferred deposit transactions as (i) Lanni had received a written notice from the
25 Commissioner on February 8, 2005 that specifically informed Lanni that he could not engage in
26 the business of deferred deposit transactions unless and until he obtained a CDDTL license(s)
27 from the Commissioner, (ii) Lanni had applied with the Commissioner for four (4) CDDTL
28 licenses on March 14, 2005, and (iii) on April 12, 2005, the Commissioner issued a deficiency

1 letter to Lanni regarding his applications, which was resent via facsimile on May 16, 2005,
2 reiterating that he could not engage in the business of deferred deposit transactions unless and
3 until he obtained a CDDTL license(s) from the Commissioner.

4 7. On June 7, 2005, Lanni was again notified by the Commissioner to cease
5 engaging in the business of deferred deposit transactions unless and until he obtained a CDDTL
6 license(s) from the Commissioner.

7 8. Notwithstanding numerous written and oral notifications regarding licensure,
8 Lanni stated that he would continue to engage in the business of deferred deposit transactions.

9 Dated: December 14, 2005
10 Los Angeles, CA

WAYNE STRUMPFER
Acting California Corporations Commissioner

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12 By _____
13 Steven C. Thompson
14 Special Administrator
15 California Deferred Deposit Transaction Law
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