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

TO: SAVERIO LANNI, INDIVIDUALLY AND
DBA CHECK EXCHANGE
1812 Westerly Terrace
Los Angeles, California 90026

14050 Cherry Ave., Ste. M
Fontana, California 92337

43384 E. Florida Ave., Ste. F
Hemet, California 92544

1015 E. Florida Ave.
Hemet, California 92544

2148 ½ W. Lomita Blvd.
Lomita, California 90717

DESIST AND REFRAIN ORDER
(For violations of California Financial Code section 23005)

The California Corporations Commissioner finds that:

1. Saverio Lanni (“Lanni”) is, and was at all relevant times herein, an individual doing business as Check Exchange (“Check Exchange”). Lanni has a principal address of 1812 Westerly Terrace, Los Angeles, California 90026, and operates as Check Exchange at four locations situated at 14050 Cherry Avenue, Suite M, Fontana, California 92337; 43384 E. Florida Avenue, Suite F, Hemet, California 92544; 1015 E. Florida Avenue, Hemet, California 92544; and 2148 ½ W. Lomita Boulevard, Lomita, California 90717.

2. Lanni dba Check Exchange has engaged in the business of deferred deposit transactions by originating deferred deposit transactions as described below.

3. An examination of Lanni dba Check Exchange conducted by the Commissioner in May 2005 disclosed that Lanni dba Check Exchange had originated at least 2,583 deferred deposit transactions. The examination further disclosed that Lanni dba Check Exchange had

1 been engaged in originating deferred deposit transactions since at least January 1, 2005 through
2 at least June 3, 2005.

3 4. A deferred deposit transaction is a written transaction whereby one person gives
4 funds to another person upon receipt of a personal check and it is agreed that the personal check
5 shall not be deposited until a later date.

6 5. Lanni, neither in his individual name or doing business as Check Exchange, has
7 been issued a license by the Commissioner authorizing him to engage in the business of deferred
8 deposit transactions under the California Deferred Deposit Transaction Law (“CDDTL”)
9 (California Financial Code §§ 23000 et seq.).

10 6. Lanni is not exempt from the licensing requirements of California Financial Code
11 section 23005.

12 7. Lanni was specifically aware that a CDDTL license was required in order to
13 engage in the business of deferred deposit transactions as Lanni had received a written notice to
14 this effect from the Commissioner on or about February 8, 2005. Moreover, Lanni dba Check
15 Exchange had applied for four CDDTL licenses from the Commissioner on March 14, 2005. No
16 CDDTL license had ever been issued to Lanni dba Check Exchange as he never fully responded
17 to the deficiency letter issued by the Commissioner on April 12, 2005, which was sent again to
18 Lanni via facsimile on May 16, 2005. Both the February 8 and April 12, 2005 letters specifically
19 informed Lanni that he could not engage in the business of deferred deposit transactions unless
20 and until he obtained a CDDTL license(s) from the Commissioner. On or about June 7, 2005,
21 Lanni was notified by the Commissioner to cease engaging in the business of deferred deposit
22 transactions unless and until he obtained a CDDTL license(s) from the Commissioner.
23 Notwithstanding numerous written and oral notifications regarding licensure, Lanni has stated
24 that he will continue to engage in the business of deferred deposit transactions.

25 By reason of the foregoing, Lanni dba Check Exchange has engaged in the business of
26 deferred deposit transactions without having first obtained a license from the Commissioner in
27 violation of California Financial Code section 23005.

28 Pursuant to California Financial Code section 23050, Lanni dba Check Exchange or

1 otherwise is hereby ordered to desist and refrain from engaging in the business of deferred
2 deposit transactions in the State of California without first obtaining a license from the
3 Commissioner, or otherwise being exempt. This Order is necessary, in the public interest, for the
4 protection of consumers and is consistent with the purposes, policies and provisions of the
5 California Deferred Deposit Transaction Law. This order shall remain in full force and effect
6 until further order of the Commissioner.

7 California Financial Code section 23050 provides in pertinent part:

8 Whenever, in the opinion of the commissioner, any person is engaged in the
9 business of deferred deposit transactions, as defined in this division, without
10 a license from the commissioner . . . the commissioner may order that person
11 or licensee to desist and to refrain from engaging in the business If, within
30 days, after the order is served, a written request for a hearing is filed and no
hearing is held within 30 days thereafter, the order is rescinded.

12 Dated: June 29, 2005
13 Los Angeles, CA

WAYNE STRUMPFER
Acting Corporations Commissioner

14 By _____
15 Steven C. Thompson
16 Special Administrator
17 California Deferred Deposit Transaction Law
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