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

19 The California Corporations Commissioner finds:

20 1. On March 14, 2005, Saverio Lanni doing business as Check Exchange (“Lanni”) filed
21 four (4) applications for deferred deposit transaction licenses (File Nos. 100-2527; 100-2528; 100-
22 2529; and 100-2530 hereinafter "applications") with the California Corporations Commissioner
23 (“Complainant” or “Commissioner”) pursuant to the California Deferred Deposit Transaction Law
24 (“CDDTL”) (Financial Code sections 23000 et. seq.), in particular, California Financial Code section
25 23005. The applications were for locations situated at 14050 Cherry Avenue, Suite M, Fontana,
26 California 92337; 43384 E. Florida Avenue, Suite F, Hemet, California 92544; 1015 E. Florida
27 Avenue, Hemet, California 92544; and 2148 ½ W. Lomita Boulevard, Lomita, California 90717.
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1 2. On May 16, 2005, the Commissioner commenced an examination of Lanni to
2 determine if Lanni was engaging in unlicensed deferred deposit transaction business. The
3 examination revealed that Lanni had originated at least 2,583 deferred deposit transactions from
4 January 1, 2005 through at least June 3, 2005 without a CDDTL license in violation of California
5 Financial Code section 23005.

6 3. Lanni was aware that a CDDTL license was required in order to engage in the
7 business of deferred deposit transactions as (i) Lanni had received a written notice from the
8 Commissioner on February 8, 2005 that specifically informed Lanni that he could not engage in
9 the business of deferred deposit transactions unless and until he obtained a CDDTL license(s)
10 from the Commissioner, (ii) Lanni had applied with the Commissioner for four (4) CDDTL
11 licenses on March 14, 2005, and (iii) on April 12, 2005, the Commissioner issued a deficiency
12 letter to Lanni regarding his applications, which was resent via facsimile on May 16, 2005,
13 reiterating that he could not engage in the business of deferred deposit transactions unless and
14 until he obtained a CDDTL license(s) from the Commissioner.

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

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

20 6. Lanni has committed over 2,000 violations of California Financial Code section
21 23005.

22 7. Lanni is incapable of operating his business in compliance with the CDDTL as
23 demonstrated by his flagrant and continuous pattern of violations.

24 8. It is in the best interests of the public to deny Lanni's applications for CDDTL
25 licenses.

26 9. Engaging in unlicensed deferred deposit transaction business without a license in
27 violation of California Financial Code section 23005 is grounds under California Financial Code
28 section 23011 to deny license application(s) issued under the CDDTL.

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10. On June 29, 2005, the Commissioner issued a Notice of Intention to Issue Order Denying California Deferred Deposit Transaction License Applications, Statement of Issues, and accompanying documents against Lanni based upon the above, and Lanni was personally served with those documents on July 6, 2005. The Department has received no request for a hearing from Lanni and the time to request a hearing expired on July 21, 2005.

NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the applications for CDDTL licenses filed by Lanni are hereby denied. This order is effective as of the date hereof.

Dated: July 25, 2005
Los Angeles, CA

WAYNE STRUMPFER
Acting California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator
California Deferred Deposit Transaction Law