

DEPARTMENT OF CORPORATIONSwww.corp.ca.gov

Los Angeles, California
March 27, 2008

IN REPLY REFER TO:
FILE NO: 603-F098

FIRST DEPOSIT CAPITAL, LLC
484 SOUTH MOBIL, #25
CAMARILLO, CA 93010

Dear Licensee:

Attached are the following:

1. Notice of Intention to Issue Order Revoking California Finance Lenders License;
2. Accusation;
3. Statement to Respondent;
4. Government Code Sections 11507.5, 11507.6, 11507.7 and 11522 relating to discovery; and
5. Notice of Defense.

Pursuant to Government Code Section 11522 a person whose license was revoked will have to wait a period of not less than one (1) year from the date of revocation before they can apply for a new license.

If you have any questions, please contact the undersigned at the telephone number listed below.

Sincerely,

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
PATRICIA R. SPEIGHT
Special Administrator, CFLL
Financial Services Division
(213) 576-7614

Enclosures

♦ Securities ♦ Franchises ♦ Off-Exchange Commodities ♦ Investment and Financial Services ♦
♦ Independent Escrows ♦ Consumer and Commercial Finance Lending ♦ Residential Mortgage Lending ♦

LOS ANGELES 90013-2344
320 WEST 4TH STREET, SUITE 750
(213) 576-7500

SACRAMENTO 95814-4052
1515 K STREET, SUITE 200
(916) 445-7205

SAN DIEGO 92101-3697
1350 FRONT STREET, ROOM 2034
(619) 525-4233

SAN FRANCISCO 94105-2980
71 STEVENSON STREET, SUITE 2100
(415) 972-8559

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Lead Corporations Counsel
4 Department of Corporations
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344

6
7 Attorneys for Complainant

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

10 In the Matter of the Accusation of)	File No. 603-F098
)	
11 THE CALIFORNIA CORPORATIONS)	
COMMISSIONER,)	
)	
12 Complainant,)	
)	
13 vs.)	NOTICE OF INTENTION
)	TO ISSUE ORDER
14 FIRST DEPOSIT CAPITAL, LLC,)	REVOKING CALIFORNIA
)	FINANCE LENDERS
)	LICENSE
)	
16 Respondent.)	
)	
)	

18 Pursuant to section 22714 of the California Finance Lenders
19 Law (California Financial Code), notice is hereby given of the
20 intention of the California Corporations Commissioner to enter
21 his Order pursuant to section 22714 of the California Finance
22 Lenders Law to revoke Respondent's finance lenders license.

23 The attached Accusation, which is incorporated by
24 this reference, states the reasons for the intended Order.

25
26 Unless a request for hearing, as evidenced by the
27 mailing or delivery of the Notice of Defense, is received within
28

1 15 days after the Accusation was personally served upon you or
2 mailed to you, such Order may be entered at any time thereafter
3 without a hearing.

4 Dated: March 27, 2008
5 Los Angeles, California

6 PRESTON DuFAUCHARD
7 California Corporations Commissioner

8 By _____
9 PATRICIA R. SPEIGHT
10 Special Administrator
11 California Finance Lenders Law
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Lead Corporations Counsel
4 Department of Corporations
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344

6
7 Attorneys for Complainant

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

10 In the Matter of the Accusation of) File No. 603-F098
11 THE CALIFORNIA CORPORATIONS)
COMMISSIONER,)
12 Complainant,)
13 vs.) ACCUSATION
14 FIRST DEPOSIT CAPITAL, LLC,)
15 Respondent.)
16
17

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

21 I

22 Respondent is a finance lender and/or broker licensed
23 by the California Corporations Commissioner ("Commissioner")
24 pursuant to the California Finance Lenders Law (California
25 Financial Code § 22000 et seq.) ("CFL"). Respondent has its
26 principal place of business located at:
27
28

484 SOUTH MOBIL, #25
CAMARILLO, CA 93010

II

Pursuant to California Financial Code section 22112, all CFL licensees are required to maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of respondent expired 03/25/08. On or about 03/07/08 the Commissioner notified respondent that a replacement surety bond had to be filed immediately, but no later than the expiration date to avoid suspension or revocation of its CFL license.

Respondent has yet to obtain a replacement surety bond in violation of California Financial Code section 22112.

III

California Financial Code section 22112 provides in pertinent part:

A licensee shall maintain a surety bond in accordance with this subdivision in the amount of twenty-five thousand dollars (\$25,000). The bond shall be payable to the commissioner and issued by an insurer authorized to do business in this state. A copy of the bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be filed with the commissioner for review and approval within 10 days of execution. For licensees with multiple licensed locations, only one surety bond in the amount of twenty-five thousand dollars (\$25,000) is required. The bond shall be used for the recovery of expenses, fines, and fees levied by the commissioner in accordance with this division or losses or for damages incurred by consumers as the result of a licensee's noncompliance with the requirements of this division.

1 California Financial Code section 22714 provides in
2 pertinent part:

3 The commissioner may suspend or revoke any license,
4 upon notice and reasonable opportunity to be heard, if
the commissioner finds any of the following:

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

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

10 (c) A fact or condition exists that, if it had existed
11 at the time of the original application for the
license, reasonably would have warranted the
12 commissioner in refusing to issue the license
originally.

13 IV

14 The Commissioner finds that, by reason of the foregoing,
15 Respondent has violated California Financial Code section 22112,
16 and based thereon, grounds exist to revoke the California
17 Finance Lender license of Respondent.

18 WHEREFORE, IT IS PRAYED that the California finance lender
19 license of Respondent be revoked.

20 Dated: March 27, 2008
21 Los Angeles, California

22 PRESTON DuFAUCHARD
23 California Corporations Commissioner

24 By _____
25 PATRICIA R. SPEIGHT
26 Special Administrator
27 California Finance Lenders Law
28

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Lead Corporations Counsel
4 Department of Corporations
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344

6
7 Attorneys for Complainant
8

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

In the Matter of the Accusation of)	File No. 603-F098
)	
THE CALIFORNIA CORPORATIONS)	
COMMISSIONER,)	
)	
Complainant,)	STATEMENT TO RESPONDENT
)	
vs.)	
FIRST DEPOSIT CAPITAL, LLC,)	
)	
)	
)	
Respondent.)	

17
18 TO: FIRST DEPOSIT CAPITAL, LLC,
484 SOUTH MOBIL, #25
19 CAMARILLO, CA 93010

20 Attached is a copy of the Accusation issued in the above
21 matter, which is hereby served upon you in accordance with the
22 provisions of Section 11505(c) of the Government Code.

23 Unless a written request for a hearing signed by or on
24 behalf of the person named as respondent(s) in the accompanying
25 Accusation is delivered or mailed to the agency within 15 days
26 after the Accusation was personally served upon you or mailed to
27 you, the California Corporations Commissioner may proceed upon
28

1 the Accusation without a hearing. The request for a hearing may
2 be made by delivering or mailing the enclosed form entitled
3 Notice of Defense, or by delivering or mailing a Notice of
4 Defense as provided by Section 11506 of the Government Code to:

5 PATRICIA R. SPEIGHT
6 Special Administrator
7 Department of Corporations
8 320 West Fourth Street, Suite 750
9 Los Angeles, California 90013-2344

10 You may, but need not, be represented by counsel at any or
11 all steps of these proceedings.

12 If you desire the names and addresses of witnesses or an
13 opportunity to inspect and copy the items mentioned in Section
14 11507.6 in the possession, custody or control of the agency, you
15 may contact:

16 PATRICIA R. SPEIGHT
17 Special Administrator
18 Department of Corporations
19 320 West Fourth Street, Suite 750
20 Los Angeles, California 90013-2344

21 The hearing may be postponed for good cause. If you have
22 good cause, you are obliged to notify the agency or, if an
23 administrative law judge has been assigned to the hearing, the
24 Office of Administrative Hearings, within 10 working days after
25 you discover the good cause. Failure to give notice within 10
26 days will deprive you of a postponement.

27 In accordance with the provisions of Section 11505 of the
28 Government Code, attached are copies of 11507.5, 11507.6 and
11507.7 of the Government Code.

1 Dated: March 27, 2008
2 Los Angeles, California

3 PRESTON DuFAUCHARD
4 California Corporations Commissioner

5 By _____
6 PATRICIA R. SPEIGHT
7 Special Administrator
8 California Finance Lenders Law
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

11507.5 The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

11507.6 After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

~~Nothing on this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.~~

11507.7 (a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made

and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of Section 915 of the Evidence Code and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

11522 A person whose license has been revoked or suspended may petition the agency for reinstatement or reduction of penalty after a period of not less than one year has elapsed from the effective date of the decision or from the date of the denial of a similar petition. The agency shall give notice to the Attorney General of the filing of the petition and the Attorney General and the petitioner shall be afforded an opportunity to present either oral or written argument before the agency itself. The agency itself shall decide the petition, and the decision shall include the reasons therefor, and any terms and conditions that the agency reasonably deems appropriate to impose as a condition of reinstatement. This section shall not apply if the statutes dealing with the particular agency contain different provisions for reinstatement or reduction of penalty.

BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of) File No. 603-F098
THE CALIFORNIA CORPORATIONS)
COMMISSIONER,)
Complainant,)
vs.) NOTICE OF DEFENSE
FIRST DEPOSIT CAPITAL, LLC,)
Respondent.)

TO: DEPARTMENT OF CORPORATIONS

PATRICIA R. SPEIGHT
SPECIAL ADMINISTRATOR
California Finance Lenders Law
320 West Fourth Street, Suite 750
Los Angeles, California 90013-2344

I, the undersigned and the respondent named in this proceeding, hereby acknowledge receipt of a copy of the Notice of Intention, Accusation, Statement to Respondent, a copy of Government Code sections 11507.5, 11507.6 and 11507.7, and a blank form of notice of defense.

You are hereby notified that I request a hearing in the above-entitled matter.

(Signature)

(Name)

(Street Address)

(City, State, Zip Code)

(Telephone Number)