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

TO: GUIDANCE FINANCIAL CORPORATION DBA  
GUIDANCE HOME LOANS  
9265 Activity Road, Suite 106  
San Diego, California 92126

FILE NO.: 603-D542

**DESIST AND REFRAIN ORDER**  
**(For violations of the California Finance Lenders Law)**

The California Corporations Commissioner finds that:

1. The Department of Corporations, through the California Corporations Commissioner (“Commissioner”), is vested with the authority to license and regulate finance lenders and brokers in the State of California pursuant to the California Finance Lenders Law (California Financial Code §§ 22000 et. seq., hereinafter “CFL”).

2. Guidance Financial Corporation dba Guidance Home Loans (“Guidance”) has been licensed by the Commissioner since on or about August 15, 2006 to engage in the business of a finance lender and broker. Guidance is currently located at 9265 Activity Road, Suite 106, San Diego, California 92126 but was previously located at 7777 Fay Avenue, Suite 100, La Jolla, California 92037.

3. Commencing in or about September 2007 and continuing through at least November 2007, Guidance engaged in deceptive and misleading advertising in violation of Financial Code section 22161 by sending loan solicitations to consumers that either (A) were designed to appear as though it was from the consumers’ current lender when it was not, and failed to readily identify who was sending the solicitation by placing such information in the fine print at the bottom of the solicitation, or (B) were designed to appear as though Guidance was the consumers’ current lender when it was not.

4. Guidance also violated California Code of Regulations, title 10, section 1550, subsection (b) by failing to submit the above-described advertisements to the Commissioner for

1 examination and written non-disapproval prior to there use.

2 NOW, BASED UPON THE FOREGOING, IT IS HEREBY ORDERED, under the  
3 provisions of California Financial Code section 22712 that Guidance Financial Corporation dba  
4 Guidance Home Loans and any and all officers, directors, employees, independent contractors, or  
5 agents operating on behalf of Guidance Financial Corporation dba Guidance Home Loans and their  
6 successors or assigns immediately desist and refrain from (i) engaging in any deceptive and/or  
7 misleading advertising, including the advertising described herein, and (ii) using any advertisement  
8 prior to its submission to the Commissioner for examination and receipt of written non-disapproval.  
9 This Order is necessary, in the public interest, for the protection of consumers and is consistent with  
10 the purposes, policies and provisions of the California Finance Lenders Law.

11 California Financial Code section 22712 provides in pertinent part:

12 Whenever, in the opinion of the commissioner, any person is engaged in  
13 business as a broker or finance lender, as defined in this division, without  
14 a license from the commissioner, or any licensee is violating any provision  
15 of this division, the commissioner may order that person or licensee to desist  
16 and to refrain from engaging in the business or further violating this division.  
17 If, within 30 days after the order is served, a written request for a hearing is  
18 filed and no hearing is held within 30 days thereafter, the order is rescinded.

19 THIS ORDER shall remain in full force and effect until further order of the Commissioner.

20 Dated: April 2, 2008  
21 Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

22 By \_\_\_\_\_  
23 Alan S. Weinger  
24 Lead Corporations Counsel  
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