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

**TO: Donald C. Grantis**  
**Heritage Financial Group**  
**1138 North Pacific Avenue, Suite A**  
**Glendale, CA 91202**

**DESIST AND REFRAIN ORDER**

**(For violations of sections 22100 and 22162, of the Financial Code)**

The California Corporations Commissioner finds that:

1. At all relevant times, Heritage Financial Group and Donald C. Grantis, have engaged, are engaging, or are about to engage personally or through agents of Heritage Financial Group in unlicensed loan activities in violation of California Finance Lenders Law (Financial Code section 22000 et seq.).

2. Heritage Financial Group is owned and operated by Donald C. Grantis.

3. Heritage Financial Group has advertised on its internet website that its “sole purpose is lending monies for business start up, expansion and purchase.”

4. Heritage Financial Group and Donald C. Grantis engaged in consumer lending activities when \$3200 was loaned to a person on August 18, 1998, and \$350 to the same person on or about October 12, 2002.

5. Heritage Financial Group offered to obtain loans for persons seeking commercial loans, and then would charge advance fees of \$3,000 or more to perform due diligence and onsite inspections, in addition to charging for travel expenses.

6. Heritage Financial Group and Donald C. Grantis sought to negotiate favorable terms for the potential borrowers.

7. The Department of Corporations has not issued a license or other form of qualification authorizing Heritage Financial Group or Donald C. Grantis to engage in the

1 business of a finance lender or broker, whether it is a consumer or commercial lending. The  
2 finance lending being offered is not exempt under California Finance Lenders Law  
3 (Financial Code sections 22050- 22061.).

4 8. At all relevant times, the advertisements on the internet website issued by  
5 Heritage Financial Group and Donald C. Grantis, failed to disclose the license under which  
6 the loan would be made or arranged.

7 Based upon the foregoing findings, the California Corporations Commissioner is of  
8 the opinion that Heritage Financial Group and Donald C. Grantis, affiliates or agents, are  
9 subject to California Finance Lenders Law and have engaged, are engaging, or are about to  
10 engage in the unlicensed business of finance lending or broker activity in violation of  
11 Financial Code section 22100. Pursuant to Section 22712 of the Financial Code, Heritage  
12 Financial Group and Donald C. Grantis; or any agents, affiliates or subsidiaries are ordered  
13 to DESIST and REFRAIN from the further finance lending or broker activity in the State of  
14 California, unless and until proper licenses have been obtained under said law or unless  
15 exempt from California Finance Lenders Law.

16 Also, Heritage Financial Group and Donald C. Grantis; affiliates or agents sent  
17 advertisements to potential borrowers via the internet website, which failed to disclose the  
18 license under which the loan would be made or arranged, in violation of section 22162 of  
19 the Financial Code. Pursuant to Section 22712 of the Financial Code, Heritage Financial  
20 Group and Donald C. Grantis; or their agents, affiliates or subsidiaries are hereby ordered to  
21 DESIST and REFRAIN from issuing any further advertisements that fail to disclose the  
22 license under which the loan would be made or arranged.

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This Order is necessary, in the public interest, for the protection of persons or businesses and consistent with the purposes, policies, and provisions of the California Finance Lenders Law.

Dated: September 11, 2002  
Sacramento, California

DEMETRIOS A. BOURTRIS  
California Corporations Commissioner

By \_\_\_\_\_  
VIRGINIA JO DUNLAP  
Supervising Counsel  
Enforcement and Legal Services