

1 PRESTON DUFAUCHARD
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 Accusation of THE) Case No.: 100-2408
CALIFORNIA CORPORATIONS)
12 COMMISSIONER,) ACCUSATION
13)
Complainant,)
14)
vs.)
15)
16 MAGDY JOHN SORIAL DBA JOHN’S)
CHECK CASHING)
17)
Respondent.)
18)
19

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

22 I

23 Respondent Madby John Sorial dba John’s Check Cashing (“John’s Check Cashing”) is a
24 deferred deposit transaction originator licensed by the California Corporations Commissioner
25 (“Commissioner”) pursuant to the California Deferred Deposit Transaction Law (California
26 Financial Code § 23000 et seq.) (“CDDTL”). John’s Check Cashing is licensed as an individual
27 with his principal place business located at 13960 Harbor Boulevard, Garden Grove, CA 92843.
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II

Pursuant to California Financial Code section 23013, all CDDTL licensees are required to maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of John’s Check Cashing expired on December 30, 2008. On or about November 24, 2008, the Commissioner notified John’s Check Cashing by certified mail, return receipt requested, that a replacement surety bond had to be filed immediately, but no later than the expiration date to avoid suspension or revocation of the license. John’s Check Cashing received the notification on or about November 25, 2008.

Johns’s Check Cashing has yet to obtain a replacement surety bond in violation of California Financial Code section 23013.

III

California Financial Code section 23013 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 for losses or damages incurred by consumers as the result of a licensee's noncompliance with the requirements of this division.

California Financial Code section 23052 provides in pertinent part:

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

- (a) The licensee has failed to comply with any demand, ruling, or requirement of the commissioner made pursuant to and within the authority of this division.
- (b) The licensee has violated any provision of this division or any rule or regulation made by the commissioner under and within the authority of this division.

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

IV

The Commissioner finds that, by reason of the foregoing, John’s Check Cashing has violated California Financial Code section 23013, and based thereon, grounds exist to revoke the deferred deposit transaction license of John’s Check Cashing.

WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of John’s Check Cashing be revoked.

Dated: January 12, 2009
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator