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MARY ANN SMITH
Deputy Commissioner
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Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA) 1)	DESIST AND REFRAIN ORDER
CORPORATIONS COMMISSIONER,)	PURSUANT TO CALIFORNIA
)	FINANCIAL CODE SECTION
Complainant,)	23050; AND
)	
v.) 2)	ORDER VOIDING DEFERRED
)	DEPOSIT TRANSACTIONS
JORO RESOURCES, LLC, doing business as)	PURSUANT TO CALIFORNIA
IDEALGELT AND LOREN R. COOK &)	FINANCIAL CODE SECTION
ASSOCIATES LTD., LLP.)	23060
)	
Respondent.)	
)	

I.

FACTUAL BACKGROUND

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3 1. Joro Resources, LLC (“Joro”) is, and was at all relevant times herein, a Utah limited
4 liability company with its principal place of business located at 790 West Sam Houston Parkway
5 North, Suite 202, Houston, Texas 77024, doing business as IdealGelt.

6 2. Loren R. Cook and Associates Ltd. LLP (“Loren”) is, and was at all relevant times
7 herein, a Texas limited liability partnership with its principal place of business located at 790 West
8 Sam Houston Parkway North, Suite 202, Houston, Texas 77024.

9 3. Joro and Loren engaged in the business of originating, or offering to originate
10 deferred deposit transactions (commonly referred to as “payday loans”) as defined by the California
11 Deferred Deposit Transaction Law (“CDDTL”), California Financial Code section 23000 et. seq.
12 Joro and Loren offered deferred deposit transactions to the general public, including California
13 residents, over the Internet.

14 4. A deferred deposit transaction is a written transaction whereby one person gives
15 funds to another person upon receipt of a personal check, and it is agreed that the personal check
16 would not be deposited until a later date. “Personal check” referenced in Financial Code section
17 23001 includes “the electronic equivalent of a personal check”.

18 5. In 2012, Joro and Loren originated deferred deposit transactions with California
19 residents through the website www.idealgelt.com, which authorized Joro to electronically debit the
20 borrower’s account by means of an Automated Clearing House with the loan amount, fees and
21 charges, on the due date.

22 6. Loren also assisted in the origination of deferred deposit transactions by acting as the
23 contact person for the www.idealgelt.com website. On the www.idealgelt.com website, the contact
24 information is listed as: Loren R. Cook and Associates, 790 West Sam Houston Parkway North,
25 Suite 202, Houston, Texas 77024.

26 7. The Commissioner has not issued a deferred deposit originator license to either Joro
27 or Loren pursuant to the CDDTL. As such, Joro and Loren are not authorized to offer, originate, or
28 make a deferred deposit transaction, arrange a deferred deposit transaction for a deferred deposit

1 originator, act as an agent for a deferred deposit originator, or assist a deferred deposit originator in
2 the origination of a deferred deposit transaction in California or to California residents, pursuant to
3 California Financial Code section 23005 (a).

4 8. Joro and Loren are not exempt from the licensing requirements of California
5 Financial Code section 23005 (a).

6 **II.**

7 **DESIST AND REFRAIN ORDER**

8 The Commissioner is statutorily authorized to enforce all provisions of the CDDTL,
9 including the regulation of deferred deposit transactions, and to order any person to desist and refrain
10 from engaging in violations of the CDDTL. California Financial Code section 23050 provides:

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

18 The foregoing facts establish that Joro and Loren engaged in the business of originating or
19 offering to originate deferred deposit transactions through the website www.idealgelt.com without
20 having first obtained a license to do so from the Commissioner, in violation of Financial Code
21 section 23005(a). The issuance of a Desist and Refrain Order is necessary for the protection of
22 consumers and is consistent with the purposes, policies and provisions of the CDDTL.

23 Pursuant to California Financial Code section 23050, Joro Resources, LLC, doing business
24 as IdealGelt and Loren R. Cook & Associates Ltd., LLP, are hereby ordered to desist and refrain
25 from engaging in the business of deferred deposit transactions, including but not limited to,
26 originating or offering to originate deferred deposit transactions in the State of California without
27 first obtaining a license from the California Corporations Commissioner, or otherwise being exempt,
28 as required under Financial Code section 23005 (a). This Order is necessary, in the public interest,
for the protection of consumers and is consistent with the purposes, policies and provisions of the

1 California Deferred Deposit Transaction Law. This order shall remain in full force and effect until
2 further order of the Commissioner.

3 **III.**

4 **ORDER VOIDING CALIFORNIA DEFERRED DEPOSIT TRANSACTIONS**

5 California Financial Code section 23060 provides in pertinent part:

6 (b) If any provision of this division is willfully violated in the making or
7 collection of a deferred deposit transaction, the deferred deposit transaction
8 contract shall be void, and no person shall have any right to collect or
9 receive any amount provided in the deferred deposit transaction, any
charges, or fees in connection with the transaction.

10 Joro and Loren willfully violated the CDDTL by originating deferred deposit transactions
11 with California residents over the Internet at www.idealgelt.com without a license in violation of
12 Financial Code section 23005 (a).

13 Pursuant to California Financial Code section 23060, any and all deferred deposit
14 transactions contracted with California customers or in the State of California, including but not
15 limited to the deferred deposit transactions originated through www.idealgelt.com by Joro and Loren
16 are therefore void. Joro Resources, LLC, doing business as IdealGelt and Loren R. Cook &
17 Associates Ltd., LLP are hereby ordered to immediately cease collecting all principal amounts, and
18 return all principal amounts, provided in any and all deferred deposit transactions contracted with
19 California customers or in the State of California, and to disgorge any and all charges or fees
20 received in conjunction with those deferred deposit transactions.
21

22 Dated: January 16, 2013
23 Los Angeles, California

JAN LYNN OWEN
California Corporations Commissioner

25 By: _____
26 MARY ANN SMITH
27 Deputy Commissioner
28 Enforcement Division