

1 7. Lopez failed to respond to the Commissioner’s February 8th letter. On April
2 12, 2005, after the Commissioner’s representative contacted Lopez he admitted that he had
3 received the Commissioner’s letter but engaged in deferred deposit business from December 31,
4 2004 and continuing to April 12, 2005. At that time the Commissioner’s representative informed
5 him to cease deferred deposit business until a license was obtained. Lopez claimed that he
6 submitted a short form license application for a CDDTL license and bond to the Commissioner
7 in January 2005. However, there is no evidence of such application or bond. No CDDTL license
8 had ever been issued to Lopez. Both the communications on February 8 and April 12, 2005,
9 specifically informed Lopez that he could not engage in the business of deferred deposit
10 transactions unless and until he obtained a CDDTL license from the Commissioner.

11 8. On several occasions during 2005 the Commissioner’s Corporations Examiners
12 requested access to examine the records of Lopez. Lopez failed to provide adequate access to the
13 Corporations Examiners even though Lopez reported he had originated at least 20 deferred
14 deposit transactions per month.

15 9. On March 11, 2004, Lopez submitted both a long form application and a short
16 form application for a CDDTL license at the same address, 5304-A Monterey Road, San Jose,
17 California 95111. On April 4, 2005, Lopez was sent a deficiency letter regarding these
18 applications and again was notified by the Commissioner to cease CDDTL activity unless
19 licensed to do so.

20 10. On May 25, 2005, Corporations Examiners visited 5304-A Monterey Road, San
21 Jose, California 95111 to conduct an investigation into unlicensed CDDTL activity. However,
22 Lopez did not give access to deferred deposit transaction records. Lopez admitted that he was
23 aware that he had been instructed to cease engaging in deferred deposit transactions but that he
24 had in fact engaged in such transactions about a week or two prior to the examiners’ visit.

25 11. No CDDTL license had ever been issued to Lopez. Notwithstanding
26 numerous notifications regarding the licensure requirement, Lopez willfully and knowingly
27 continues to engage in deferred deposit business without a license from the Commissioner.

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1 By reason of the foregoing, Mike Lopez, Chex Check Cashing and Mike Lopez dba Chex
2 Check Cashing have engaged in the business of deferred deposit transactions without having first
3 obtained a license from the Commissioner in violation of California Financial Code section
4 23005.

5 Pursuant to California Financial Code section 23050, Mike Lopez, Chex Check Cashing
6 and Mike Lopez dba Chex Check Cashing are hereby ordered to desist and refrain from engaging
7 in the business of deferred deposit transactions in the State of California without first obtaining a
8 license from the Commissioner, or otherwise being exempt. This Order is necessary, in the
9 public interest, for the protection of consumers and is consistent with the purposes, policies and
10 provisions of the California Deferred Deposit Transaction Law. This order shall remain in full
11 force and effect until further order of the Commissioner.

12 California Financial Code section 23050 provides in pertinent part:

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

19 Dated: July 20, 2005
20 Los Angeles, CA

21 WAYNE STRUMPFER
22 Acting Corporations Commissioner

23 By _____
24 Steven C. Thompson
25 Special Administrator
26 California Deferred Deposit Transaction Law
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