1	MARY ANN SMITH Deputy Commissioner			
2	SEAN M. ROONEY			
3	Assistant Chief Counsel ADAM WRIGHT (State Bar No. 262378)			
4	Senior Counsel Department of Business Oversight			
5	320 West 4th Street, Suite 750			
6 7	Los Angeles, CA 90013 Telephone: (213) 576-7523 Facsimile: (213) 576-7181			
8	Attorneys for Complainant			
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10				
11	BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT			
12	OF THE STATE OF CALIFORNIA			
13	In the Matter of: ) CFL LICENSE NO.: 603G706			
14	In the Matter of:			
15	THE COMMISSIONER OF BUSINESSCITATION PURSUANT TO FINANCIALOVERSIGHT,CODE SECTION 22707.5			
16				
17	v. Complainant,			
18				
19	MGM LENDERS, INC.,			
20	Respondent.			
21	)			
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23	Jan Lynn Owen, the Commissioner of Business Oversight (Commissioner), finds the			
24	following:			
25	I. EACTUAL DACKCDOUND			
26 27	FACTUAL BACKGROUND           1.         MGM Lenders, Inc. is a California corporation with a principal place of business			
27	1. MGM Lenders, Inc. is a California corporation with a principal place of business at 1912 North Broadway, Suite 102, Santa Ana, California 92706.			
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	CITATION PURSUANT TO FINANCIAL CODE SECTION 22707.5			

2. MGM Lenders, Inc. is licensed as a finance lender under the California Finance Lenders Law (CFLL) with license number 603G706 (MGM).

3. In accordance with Financial Code section 22159, CFLL licensees must file an annual report with the Commissioner by March 15th of each year (Annual Report).

4. On March 6, 2017, the Commissioner notified CFLL licensees of the March 15th deadline to file their annual reports by sending notice to the email address each CFLL licensee established pursuant to the Commissioner's Order on Electronic Communications, dated November 22, 2013.

5. As of March 22, 2017, MGM had not filed its Annual Report with the Commissioner. As a result, the Commissioner issued a notice letter to MGM on March 22, 2017, advising MGM that it should file its annual report by April 11, 2017 or else its license would be summarily revoked pursuant to Financial Code section 22715 (Notice Letter).

6. As of April 11, 2017, MGM had still not filed its Annual Report with the Commissioner. As a result, on April 19, 2017, the Commissioner issued an order pursuant to Financial Code section 22715 immediately revoking the CFLL license of MGM (Revocation Order).

7. MGM had failed to check, on a daily basis, the email address it established pursuant to the Commissioner's Order on Electronic Communications, dated November 22, 2013, as prescribed by the order.

8. In connection with this proceeding, MGM represented to the Commissioner that it has not taken any actions requiring CFLL licensure from April 19, 2017 to the date of this order.

9. On May 11, 2017, MGM submitted its Annual Report, which was due on March
15, 2017.

10. In reliance upon these facts, on June 8, 2017, the Commissioner issued an order rescinding the earlier Revocation Order, which had been issued on April 19, 2017. Consequently, as of June 8, 2017, MGM's licensure under the CFLL was restored.

## II.

## CITATION

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Financial Code section 22707.5, subdivision (a), provides in relevant part:

(a) If, upon inspection, examination, or investigation, the commissioner has cause to believe that a licensee or other person is violating any provision of this division or any rule or order thereunder, the commissioner or his or her designee, may issue a citation to the licensee or person in writing, describing with particularity the basis of the citation . . . In addition, each citation may assess an administrative fine not to exceed two thousand five hundred dollars (\$2,500) . . . .

Based on the foregoing, MGM failed to file an annual report with the Commissioner by March 15, 2017 in violation of Financial Code section 22159. The Commissioner hereby assesses MGM an administrative fine of \$2,500.00 pursuant to Financial Code section 22707.5, subdivision (a). MGM is hereby ordered to pay the Commissioner an administrative fine of \$2,500.00 for the above citation within 30 days from the date of this citation.

Based on the foregoing, MGM failed to maintain its books, accounts and records in accordance with good business practice in violation of section 1426 of Title 10 of the California Code of Regulations. The Commissioner hereby assesses MGM an administrative fine of \$2,500.00 pursuant to Financial Code section 22707.5, subdivision (a). MGM is hereby ordered to pay the Commissioner an administrative fine of \$2,500.00 for the above citation within 30 days from the date of this citation.

MGM shall pay these fines with a cashier's check made payable to the Department of Business Oversight for the amount of \$5,000.00 and shall submit that check to the following address within thirty (30) days from the date of this citation: ATTN: Accounting – Litigation, Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment shall be sent to: Adam Wright, Senior Counsel, Department of Business Oversight, 320 W. 4th Street, Suite 750, Los Angeles, California 90013.

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1	Dated: June 8, 2017	JAN LYNN OWEN
2	Sacramento, California	Commissioner of Business Oversight
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4		By: MARY ANN SMITH
5		Deputy Commissioner Enforcement Division
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	CITATION PURS	UANT TO FINANCIAL CODE SECTION 22707.5