

1 STATE OF CALIFORNIA  
2 BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY  
3 DEPARTMENT OF BUSINESS OVERSIGHT  
4

5 TO: Med One Capital Funding, LLC  
6 10712 South 1300 East  
7 Sandy, Utah 84094  
8

9 DESIST AND REFRAIN ORDER  
10 (For violations of section 22100 of the Financial Code)

11 The Commissioner of Business Oversight (Commissioner) finds that:

12 1. Med One Capital Funding, LLC (Med One Capital) is a Utah limited liability  
13 company formed on or about March 30, 2001. Its principal place of business is located at 10712  
14 South 1300 East, Sandy, Utah 84094.

15 2. On or about February 16, 2017, Med One Capital voluntarily filed with the  
16 Commissioner an application for licensure under the California Financing Law (CFL).<sup>1</sup> In addition to  
17 the application, the Commissioner requested, and Med One Capital provided, a loan report, a revised  
18 loan report and the supporting documentation for all loans made in the state of California for the  
19 period of September 15, 2015 through April 5, 2017 (collectively the Application). A review of the  
20 Application disclosed that Med One Capital had engaged in unlicensed finance lender activity in the  
21 state of California during the above period, as described below.

22 3. Med One Capital originated 16 commercial equipment leases from September 15,  
23 2015 through April 5, 2017, with a buyout option of \$1.00 at the end of the lease term. A  
24 commercial equipment lease with a purchase or buyout option of \$1.00 at the end of the lease term is  
25 considered by the Commissioner to be a commercial equipment loan subject to the CFL.  
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28 <sup>1</sup> Effective October 4, 2017, the name of the “California Finance Lenders Law” changed to the “California Financing Law.” (Assem. Bill No. 1284 (2017-2018 Reg. Sess.) § 4.) For purposes of this document, a reference to the California Financing Law means the California Finance Lenders Law before October 4, 2017 and the California Financing Law on and after that date. (Fin. Code, § 22000.)

1           4.       In addition, the Commissioner reviewed the Application to determine if there were  
2 interest charges and fees in excess of the 10-percent usury limitation under Article 15, section 1, of  
3 the California Constitution. It appears that interest charges and fees in 10 out of the 16 commercial  
4 loans will exceed the 10-percent usury limitation, provided all payments are made as scheduled. The  
5 usurious interest or fee overcharge from the 10 loans is estimated to be approximately \$27,849.80.

6           Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion  
7 that during the period of September 15, 2015 through April 7, 2017, Med One Capital Funding, LLC  
8 engaged in the business of a finance lender in the state of California by making 16 loans without first  
9 obtaining a license from the Commissioner, then in effect, or being otherwise exempt, in violation of  
10 Financial Code section 22100.

11           Under section 22712 of the Financial Code, Med One Capital Funding, LLC is hereby ordered  
12 to desist and refrain from engaging in the business of a finance lender in the state of California  
13 without first obtaining a license from the Commissioner of Business Oversight, or otherwise being  
14 exempt.

15           This Order is necessary, in the public interest, for the protection of consumers and is  
16 consistent with the purposes, policies, and provisions of the California Finance Lenders Law.

17 Dated: January 8, 2018  
18       Los Angeles, California

JAN LYNN OWEN  
Commissioner of Business Oversight

19  
20 By \_\_\_\_\_  
21 MARY ANN SMITH  
22 Deputy Commissioner  
23 Enforcement Division  
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