

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into between the Complainant, the California Corporations Commissioner (“Commissioner”), and Respondent, Sisak Misirian, an individual doing business as Thrifty Check Cashing Company (“Thrifty”) (hereinafter collectively “the Parties”).

### **RECITALS**

This Agreement is made with reference to the following facts:

- A. Thrifty is a fictitious business name for Sisak Misirian, an individual. Thrifty has its principal place of business located at 20021 Roscoe Blvd., Unit # 11, Canoga Park, CA 91306.
- B. Sisak Misirian is the only owner of Thrifty and is authorized to enter into this agreement on behalf of Respondents.
- C. Thrifty holds license number 100-2430 from the Commissioner under the California Deferred Deposit Transaction Law (“CDDTL”) pursuant to California Financial Code sections 23005, 23008 and 23009.
- D. On September 24, 2008, the Commissioner issued to Thrifty a Notice of Intention to Revoke California Deferred Deposit Transaction License; Accusation to Revoke License, Citations and Desist and Refrain Order, and Order to Void Deferred Deposit Transactions and accompanying documents for violations of California Financial Code § 23000 et seq., that were served to Respondents on September 26, 2008. The Accusation to Revoke License, Citations and Desist and Refrain Order, and Order to Void Deferred Deposit Transactions (“Administrative Actions”) is attached as Exhibit A.
- E. It is the intention of the parties to resolve this matter without the necessity of an administrative hearing or other litigation.

NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the parties agree as follows:

### **TERMS AND CONDITIONS**

1. **Purpose.** The purpose of this Agreement is to resolve the Administrative Actions expeditiously, avoid the expense of a hearing, and possible further court proceedings.
2. **Waiver of Hearing Rights.** Respondents acknowledge their right to a hearing under the CDDTL in connection with the Administrative Actions and hereby waive that right to a hearing, and to any reconsideration, appeal, or other right to review which may be afforded pursuant to the CDDTL, the California Administrative Procedure Act (“APA”), the California Code of Civil Procedure, or any other provision of law, and by waiving such rights, consent to the agreement becoming final.

3. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that it has received or been advised to seek independent legal advice from its attorneys with respect to the advisability of executing this Agreement.

4. Admissions. Thrifty hereby admits the allegations contained in the Accusation to Revoke License, Citations and Desist and Refrain Order, and Order to Void Deferred Deposit Transactions. Thrifty's admissions herein are solely for the limited purposes of this proceeding and any future proceeding that may be initiated by or brought before the Commissioner against Thrifty. It is the intent and understanding between the parties that this Settlement Agreement, and particularly Thrifty's admissions herein, shall not be binding or admissible against Thrifty in any action(s) brought against Thrifty by third parties.

5. Revocation. Thrifty hereby agrees to the issuance of an Order revoking Thrifty's California Deferred Deposit Transactions license. The revocation shall be effective December 27, 2009. Thrifty hereby acknowledges his right to an administrative hearing under Financial Code section 23052 in connection with the Revocation, and hereby waives that right to a hearing, and to any reconsideration, appeal, or other right which may be afforded pursuant to the Financial Code, the California Administrative Procedure Act, the California Code of Civil Procedure or any other provision of law in connection with this matter.

6. Citations and Desist and Refrain Order. Thrifty hereby acknowledges his right to an administrative hearing under Financial Code sections 23050 and 23058 in connection with the Citations and Desist and Refrain Order, and hereby waives that right to a hearing, and to any reconsideration, appeal, or other right which may be afforded pursuant to the Financial Code, the California Administrative Procedure Act, the California Code of Civil Procedure or any other provision of law in connection with this matter.

7. Agreement to Not Engage in Future Deferred Deposit Transactions. Thrifty agrees to refrain from engaging in any CDDTL activities during the period beginning July 27, 2009 until December 27, 2009. This agreement does not preclude Thrifty from engaging in pure collection activities that permit: (1) receipt of cash from customers for existing transactions entered into before July 27, 2009, (2) forwarding any checks received from Thrifty's clients to Thrifty's bank for deposit relating to transactions entered into before July 27, 2009, (3) responding to regulatory inquiries from the Department of Corporations or other agencies, (4) making refunds described in paragraph 8 below and (5) otherwise responding to customer inquiries concerning existing transactions.

8. Refund of Extension Fees. Thrifty hereby agrees to refund the extension fees described in the Citations, Desist and Refrain Order, and Order to Void Transactions issued to Thrifty and to refund all amounts to Thrifty's clients, W.A, J.A., R.A., C.A., L.A, S.A., K.A., G.B., T.B., A.B., F.B., A.B., M.C., C.C., M.C., J.C., H.C., M.C., G. F., K.F., O.F., P.G., R.G., M. G., S. G., R.G., N.H., A.H., L.H., J.J., J.J., M.J., E.J., L.K., J.L., N.L., A.L., J. L., J.L., M.L., M.L., J.M., T.M., K.N., C.P., L.R., D.R., G.R., J.R., E.S., A.S., G.S., C.S. J.T., J.T., A.T., P.Y., and J.Z.. Thrifty agrees to refund at least \$34,681.07 in extension fees charged for their transactions. Thrifty agrees to refund all abovementioned amounts within 120 (one-hundred twenty) days of the execution of this agreement. Any remaining amounts

owed to and unclaimed by Thrifty's clients shall be escheated to the State of California pursuant to the Unclaimed Property Law as set forth in California Code of Civil Procedure sections 1300-1500 et seq.

9. Citations. Thrifty hereby agrees to pay to the Commissioner one thousand five hundred dollars (\$1,500) for the Citations ("Citation Payment"). The citation payment in the amount of one thousand five hundred dollars (\$1,500) is due within 30 (thirty) days of the execution of this agreement. If Thrifty fails to pay the Citation Payment by the due date, then the entire administrative penalty amount of \$30,000 as set forth in the Citations and Desist and Refrain Order will become immediately due and payable. Thrifty's Citation Payment shall be payable to the California Department of Corporations and delivered to the Department of Corporations' Los Angeles Office to the attention of the Complainant's Enforcement counsel Johnny Vuong.

10. Future Actions by the Commissioner. The Commissioner reserves the right to bring any future actions against Thrifty or any of their partners, owners, employees or successors of Thrifty for any and all unknown or future violations of the CDDTL. This Agreement shall not serve to exculpate Thrifty or any of the partners, owners, employees or successors of Thrifty from liability for any and all unknown or future violations of the CDDTL. If it is found, after the execution of this Agreement that Thrifty has at any time violated any of the statutes and/or rules set forth in the CDDTL or Agreement, the Commissioner reserves the right to take further action against Thrifty, including but not limited to, imposing penalties and requesting restitution of all CDDTL transactions originated in breach of this Agreement.

11. Failure to Make Consumer Refunds. Thrifty acknowledges that within 120 (one-hundred twenty) days after execution of this Agreement, he will offer to make refunds to all abovementioned consumers in paragraph 8 simultaneously. Failure to do so shall be a breach of this Agreement and the entire restitution amount of \$84,816.97 as described in the Order Voiding Deferred Deposit Transactions shall become immediately due and payable.

12. Settlement Agreement Coverage. The parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of these Administrative Actions. The parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agencies with any prosecution, administrative, civil or criminal, brought by any such agency against Thrifty based upon any of the activities alleged in this matter or otherwise. This Agreement shall not become effective until signed by all parties. Each of the parties represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and the advice of its own counsel and has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

13. Full Integration. This Agreement, including the attached Order Revoking California Deferred Deposit Transactions License, Accusation to Revoke License, Citations and Desist and Refrain Order, and Order to Void Deferred Deposit Transactions is the final written expression and the complete and exclusive statement of all the agreements, conditions, promises, representations, and covenants between the parties with respect to the subject matter hereof, and supercedes all prior or contemporaneous agreements, negotiations, representations, understandings, and discussions between and among the parties, their respective representatives, and any other person or entity.

14. No Presumption From Drafting. In that the parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected, to, or involving this Agreement. Accordingly, the parties waive the benefit of California Civil Code section 1564 and any successor or amended statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.

15. Counterparts. This Agreement may be executed in any number of counter-parts by the Parties and when each Party has signed and delivered at least one such counterpart to the other Party, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement. A fax signature shall be deemed the same as an original signature.

16. Modifications and Qualified Integration. No amendment, change or modification of this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of the parties affected by it.

17. Headings and Governing Law. The headings to the paragraphs of this Agreement are inserted for convenience only and will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof. This Agreement shall be construed and enforced in accordance with and governed by California law.

18. Authority For Settlement. Each Respondents covenant that they possess all necessary capacity and authority to sign and enter into this Agreement. Each Party warrants and represents that such Party is fully entitled and duly authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of the foregoing, each Party warrants and represents that it is fully entitled to enter into the covenants, and undertake the obligations set forth herein.

19. Public Record. Respondents acknowledge that this Agreement is a public record.

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20. Voluntary Agreement. The Parties each represent and acknowledge that he, she or it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on the dates set forth opposite their respective signatures.

Dated: July 27, 2009

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Deputy Commissioner  
Enforcement Division

SISAK MISIRIAN, an individual doing business  
as THRIFTY CHECK CASHING CO.

Dated: July 27, 2009

By \_\_\_\_\_  
SISAK MISIRIAN  
an individual

APPROVED AS TO FORM:

ALEXANDER ROSENBERG

By \_\_\_\_\_  
ALEXANDER ROSENBERG, Attorney for SISAK  
MISIRIAN, an individual doing business as THRIFTY  
CHECK CASHING CO.

PRESTON DUFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
JOHNNY VUONG, Corporations Counsel