

In the Matter of the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans issued to JRMM, L.L.C. doing business as Mister Cash

OAH Case No. 2008040426

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into as of July 24, 2008, by and between the Complainant, the California Corporations Commissioner (“Commissioner”), and Respondent JRMM, L.L.C. (“JRMM”) doing business as Mister Cash (hereinafter collectively “the Parties”).

RECITALS

This Agreement is made with reference to the following facts:

- A. JRMM, doing business as Mister Cash, is a limited liability company in good standing, duly formed and existing pursuant to the laws of the State of Colorado, and authorized to conduct business in this State. JRMM has its principal place of business, Mister Cash, located at 2447 Athens Avenue, Redding, California 96001.
- B. Roxie Andresen (“Andresen”) is, and was at the time of the issuance of the Order described in paragraph D below, a member of JRMM. Andresen is authorized to enter into this Agreement on JRMM’s behalf.
- C. JRMM holds license number 100-3134 from the Commissioner under the California Deferred Deposit Transaction Law (“CDDTL”) pursuant to California Financial Code sections 23005, 23008 and 23009.
- D. On February 6, 2008, the Commissioner issued an Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans to JRMM for violations of California Financial Code sections 23000 *et seq.*, served to JRMM on February 8, 2008.
- 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 expeditiously resolve the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans. The parties wish to avoid the expense of a hearing and possible further court proceedings.
2. Waiver of Hearing Rights. JRMM acknowledges its right to a hearing under the CDDTL in connection with the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans and hereby waives 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, JRMM consents to the agreement becoming final.
3. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that it has received independent legal advice from an attorney with respect to the advisability of executing this Agreement. JRMM acknowledges that it is willingly and knowingly entering into this Agreement.
4. Admissions. JRMM admits the FACTS recited in the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans solely for the limited purposes of this Agreement and any future proceeding(s) that may be initiated by or brought before the Commissioner or other agencies against JRMM. It is the intent and understanding between the parties that this Agreement, and particularly the admissions of JRMM herein, shall not be binding or admissible against them in any action(s) with third parties.
5. Citations. JRMM hereby agrees to pay to the Commissioner TWENTY-FIVE THOUSAND dollars (\$25,000.00) for the Citations (“Citation Payment”). One payment in full shall be made on or before August 15, 2008. If JRMM fails to make payment in strict accord with the terms of this paragraph, then the total amount of Citations (\$55,000.00) ordered in the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans is immediately due and payable to the Department. JRMM’s Citation Payment shall be payable to the California Department of Corporations and delivered to the Department of Corporations’ Sacramento Office to the attention of the Complainant’s Enforcement counsel Joanne Ross.
6. Voiding of Deferred Deposit Transactions and Refunding of Fees. JRMM hereby agrees to void the 22 deferred deposit transactions described in the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans. JRMM shall issue four refunds to customers totaling \$566.53, which includes fees that were charged to customers in violation of Financial Code 23036, on or before August 15, 2008. Any amounts remaining unclaimed by clients as of November 15, 2008 shall escheat to the State of California.
7. Failure to Timely Issue Refunds. JRMM acknowledges that failure to timely offer and to pay any refund to customers, as described in Paragraph 6 under this Agreement, shall

be a breach of this Agreement. If JRMM fails to make payment in strict accord with the terms of Paragraph 6, then the total amount of Citations (\$55,000.00) ordered in the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans shall become immediately due and payable to the Department.

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

9. Settlement Agreement Coverage. The parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of the Accusation to Revoke License, Citations, Desist and Refrain Order, and Order Voiding Loans. 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 administrative, civil or criminal prosecution brought by any such agency against JRMM based upon any of the activities alleged in this matter or otherwise. This Agreement shall not become effective until signed by JRMM and delivered 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 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.

10. Full Integration. This Agreement, including the attached Exhibits, 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.

11. 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 1654 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.

12. Effective Date. This Agreement shall not become effective until signed and delivered by all parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings five days after execution by the parties.

13. Counterparts. This Agreement may be executed in any number of counterparts 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.

14. 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.

15. 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.

16. Authority for Settlement. Each Party covenants that each possesses 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.

17. Public Record. JRMM acknowledges that this Agreement is a public record.

18. 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.

19. Notices. Notice shall be provided to each party at the following addresses:

If to Respondent to: JRMM, doing business as Mister Cash
2447 Athens Avenue, Redding, California 96001

If to the Commissioner to: Steven C. Thompson, Special Administrator
Financial Services Division, Department of Corporations
320 W. 4th Street, Suite 750, Los Angeles, CA 90013-2344

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

Dated: 7/24/08

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____

ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division

JRMM, doing business as Mister Cash

Dated: 7/24/08

By _____

Roxie Andresen
Member