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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Mypaydayloan.com
Centro Colon, 8 Avo Piso, Oficina 8-4
San Jose, Costa Rica

DESIST AND REFRAIN ORDER

(For violations of section 23005 of the California Financial Code)

The California Corporations Commissioner finds that:

1. Mypaydayloan.com is, and was at all relevant times herein, a lender of indeterminate origin, with its principal place of business located at Centro Colon, 8 Avo Piso, Oficina 8-4, San Jose, Costa Rica.

2. Mypaydayloan.com engages in the business of originating, or offering to originate deferred deposit transactions (commonly referred to as “payday loans”) over the Internet to the general public, including California residents.

3. A deferred deposit transaction is a written transaction whereby one person gives funds to another person upon receipt of a personal check, and it is agreed that the personal check would not be deposited until a later date. “Personal check” referenced in Financial Code section 23001 includes “the electronic equivalent of a personal check”.

4. During 2010, Mypaydayloan.com originated a deferred deposit transaction with at least one California resident through the website mypaydayloan.com, which authorized Mypaydayloan.com to electronically debit the borrower’s account by means of an Automated Clearing House with the loan amount, fees and charges, on the due date.

5. Mypaydayloan.com has not been issued a license by the California Corporations Commissioner authorizing it to engage in the business of originating deferred deposit transactions under the California Deferred Deposit Transaction Law (California Financial Code § 23000 et seq.).

6. Mypaydayloan.com is not exempt from the licensing requirements of California Financial Code section 23005.

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7. By reason of the foregoing, Mypaydayloan.com has engaged in the business of originating or offering to originate deferred deposit transactions without having first obtained a license from the California Corporations Commissioner in violation of California Financial Code section 23005.

Pursuant to California Financial Code section 23050, Mypaydayloan.com is hereby ordered to desist and refrain from engaging in the business of deferred deposit transactions, including but not limited to, originating or offering to originate deferred deposit transactions in the State of California without first obtaining a license from the California Corporations Commissioner, or otherwise being exempt. This Order is necessary, in the public interest, for the protection of consumers and is consistent with the purposes, policies and provisions of the California Deferred Deposit Transaction Law. This order shall remain in full force and effect until further order of the Commissioner.

California Financial Code section 23050 provides:

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

Dated: November 10, 2010
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner