

**In the Matter of the Desist and Refrain Order, Citations and Order Voiding Loans
issued to Order Express, Inc. OAH Case No. 2009090294**

**And the Matter of the Accusation and the Notice of Intention to Issue Order Revoking
California Deferred Deposit Transaction License**

REVISED SETTLEMENT AGREEMENT

This Revised Settlement Agreement (“Agreement”) is entered into on the date hereof, by and between the Complainant, the California Corporations Commissioner (“Commissioner”), and Respondent Order Express, Inc. (“Order Express”) (hereinafter collectively referred to as “the parties”).

RECITALS

This Agreement is made with reference to the following facts:

- A. Order Express is a corporation in good standing, duly formed and existing pursuant to the laws of the State of California, and authorized to conduct business in this State. Order Express has its principal place of business located at 2670 E. Florence Ave., Huntington Park, California 90255.
- B. Order Express holds license numbers 100-3246 and 100-3263 from the Commissioner under the California Deferred Deposit Transaction Law (“CDDTL”) pursuant to California Financial Code sections 23005, 23008 and 23009.
- C. On July 21, 2009, the Commissioner issued a Desist and Refrain Order, Citations and Order Voiding Loans (collectively referred to herein as “D&R”) to Order Express for violations of California Financial Code sections 23000 *et seq.* (“CDDTL”), and service to Order Express was effected on July 27, 2009.
- D. On November 24, 2009, the Commissioner issued an Accusation and Notice of Intention to Issue Order Revoking California Deferred Deposit Transaction License (collectively referred to herein as “Accusation”) to Order Express for violations of the CDDTL, and service to Order Express was effected on or before November 30, 2009.
- 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 D&R and Accusation. The parties wish to avoid the expense of a hearing and possible further court proceedings.

2. Waiver of D&R Hearing Rights. Order Express acknowledges its right to a hearing under the CDDTL in connection with the D&R and Accusation, and did and hereby does 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, Order Express 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. Order Express acknowledges that it is willingly and knowingly entering into this Agreement.

4. Admissions. Order Express admits the FACTS recited in the D&R and Accusation 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 Order Express. It is the intent and understanding between the parties that this Agreement, and particularly the admissions of Order Express herein, shall not be binding or admissible against them in any action(s) with third parties.

5. Citations. Order Express hereby agrees to pay to the Commissioner TWO THOUSAND FIVE HUNDRED dollars (\$2,500) as a penalty ("Penalty") for violating the order to pay Citations of fifteen thousand five hundred dollars (\$15,500), included in the D&R, timely. Payment of the Penalty shall be received no later than December 28, 2009. Order Express's Penalty shall be payable to the California Department of Corporations and delivered to: Joanne Ross, Corporations Counsel, Enforcement Division, 1515 K Street, Suite 200, Sacramento, California 95814.

6. Voiding of Deferred Deposit Transactions and Refunding of Fees. Order Express agrees to void the 27 deferred deposit transactions described in the D&R. Order Express shall issue refunds to customers totaling \$10,092.15 for the amounts that were charged to customers in violation of Financial Code 23036. All refunds shall be paid to customers no later than 30 days from the date of execution of this agreement. Any amounts remaining unclaimed by clients as of February 1, 2010 shall escheat to the State of California. For any of these 27 loans on which Order Express did not receive payment, Order Express agrees to not collect on any future payment of the loan(s) and to refund any fees or charges received by Order Express on such loan(s). Order Express will provide evidence to the Commissioner of compliance with the Order Voiding Loans. Such evidence will be copies of cleared refund checks, proof of attempted mailings to

any consumers who did not collect their refund, and a one-page spreadsheet showing all 27 loans and their refund status, dates of attempted or actual refunds, each amount refunded – with fees, charges, and loan amounts listed separately and then totaled, and the total amount refunded by Order Express on all loans together (collectively, “Voiding Evidence”). Order Express agrees that the Voiding Evidence shall be submitted so that it is received no later than January 29, 2010 by Joanne Ross, Corporations Counsel, Enforcement Division, 1515 K Street, Suite 200, Sacramento, California 95814.

7. Failure to Timely Make Payments. In the event that Order Express fails to timely pay the Penalty as required by Paragraph 5 and/or fails to timely void loans and issue refunds to customers, and provide Voiding Evidence to the Commissioner, in compliance with Paragraph 6, Order Express hereby agrees to the issuance by the Commissioner of an Order Revoking its CDDTL license numbers 100-3246 and 100-3263 pursuant to Financial Code section 23052 (“Revocation Order”). This revocation will preclude Order Express, its successors and assigns, by whatever names they might be known, and/or any company owned or controlled by Order Express, from engaging in any CDDTL activities. Order Express agrees it shall be precluded from all CDDTL transactions including any with existing clients effective the date of the Revocation Order. This revocation will not preclude Order Express from engaging in pure collection activities that permit: (1) receipt of cash from customers for existing transactions entered into before the date of revocation, (2) forwarding any checks received from Order Express's clients to a bank for deposit relating to transactions entered into before the date of revocation, (3) responding to regulatory inquiries from the Department of Corporations or other agencies, (4) making refunds to customers, and (5) otherwise responding to customer inquiries concerning existing transactions.

8. Future Actions by the Commissioner. The Commissioner reserves the right to bring any future actions against Order Express or any of its partners, employees or successors for any and all unknown or future violations of the CDDTL. This Agreement shall not serve to exculpate Order Express or any of its partners, affiliates, 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 Order Express has at any time violated any provision of the CDDTL, the Commissioner reserves the right to take further action against Order Express, including but not limited to, imposing penalties and requesting restitution of all CDDTL transactions originated in breach of this Agreement. Order Express acknowledges and agrees that the Revocation provided for above in paragraph 7 shall not be the exclusive remedy available to the Commissioner in pursuing future violations but may be sought and employed in addition to any other remedy available pursuant to the CDDTL.

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 D&R and Accusation. 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 Order Express based upon any of the activities alleged in this matter or otherwise. This Agreement shall not become effective until signed by Order Express 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, 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 supersedes 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.

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. Order Express 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: Order Express, Inc.
 Attn: Jorge A. Miranda
 685 W. Ohio Street
 Chicago, IL 60610

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: 12/28/09

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

ORDER EXPRESS, INC.

Dated: 12/23/09

By _____
JORGE MIRANDA, PRESIDENT
~~SAMUEL NEWMAN~~
Corporate Director of Respondent

Dated: 12/23/09

By _____
THOMAS A. ZEIGLER, ESQ.
Counsel for Respondent

Approved as to Form Only