

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Deputy Commissioner
3 Department of Corporations
320 West 4th Street, Ste. 750
4 Los Angeles, California 90013-2344
Telephone: (213) 576-7610 Fax: (213) 576-7130

5 Attorneys for Complainant

6
7 BEFORE THE DEPARTMENT OF CORPORATIONS
8 OF THE STATE OF CALIFORNIA

9
10 In the Matter of the Accusation of THE) Case No.: 100-3789
CALIFORNIA CORPORATIONS)
11 COMMISSIONER,) ACCUSATION
12)
Complainant,)
13)
14 vs.)
15 PAWN ZONE CORP dba CASH NET PLUS)
16 Respondent.)
17)
18)

19 The Complainant is informed and believes, and based upon such information and belief,
20 alleges and charges Respondent as follows:

21 I

22 Respondent Pawn Zone Corp dba Cash Net Plus (“Pawn Zone”) is a deferred deposit
23 transaction originator licensed by the California Corporations Commissioner (“Commissioner”)
24 pursuant to the California Deferred Deposit Transaction Law (California Financial Code § 23000 et
25 seq.) (“CDDTL”). Pawn Zone is a corporation authorized to conduct business in this state with its
26 principal place of business at 7653 Pacific Blvd., #B, Walnut, CA 90255.

27 Pursuant to California Financial Code section 23013, all CDDTL licensees are required to
28 maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of Pawn Zone

1 expired on November 10, 2009. On or about November 16, 2009, the Commissioner notified Pawn
2 Zone by certified mail, return receipt requested that a replacement surety bond had to be filed
3 immediately, but no later than the expiration date to avoid suspension or revocation of its CDDTL
4 license. The notification was delivered to Pawn Zone on or about November 17, 2010.

5 Pawn Zone has not obtained a replacement surety bond in violation of California Financial
6 Code section 23013.

7 III

8 California Financial Code section 23013 provides in pertinent part:

9 A licensee shall maintain a surety bond in accordance with this subdivision in the
10 amount of twenty-five thousand dollars (\$25,000). The bond shall be payable to the
11 commissioner and issued by an insurer authorized to do business in this state. A copy
12 of the bond, including any and all riders and endorsements executed subsequent to the
13 effective date of the bond, shall be filed with the commissioner for review and
14 approval within 10 days of execution. For licensees with multiple licensed locations,
15 only one surety bond in the amount of twenty-five thousand dollars (\$25,000) is
16 required. The bond shall be used for the recovery of expenses, fines, and fees levied
17 by the commissioner in accordance with this division or for losses or damages
18 incurred by consumers as the result of a licensee's noncompliance with the
19 requirements of this division.

20 California Financial Code section 23052 provides in pertinent part:

21 The commissioner may suspend or revoke any license, upon notice
22 and reasonable opportunity to be heard, if the commissioner finds any
23 of the following:

24 (a) The licensee has failed to comply with any demand, ruling, or
25 requirement of the commissioner made pursuant to and within the authority
26 of this division.

27 (b) The licensee has violated any provision of this division or any rule or
28 regulation made by the commissioner under and within the authority of this
division.

(c) A fact or condition exists that, if it had existed at the time of the original
application for the license, reasonably would have warranted the commissioner
in refusing to issue the license originally.

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The Commissioner finds that, by reason of the foregoing, Pawn Zone has violated California Financial Code section 23013, and based thereon, grounds exist to revoke the deferred deposit transaction license of Pawn Zone.

WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of Pawn Zone Corp. dba Cash Net Plus be revoked.

Los Angeles, California
Dated: February 1, 2010

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER (CA BAR NO. 86717)
Deputy Commissioner
3 Department of Corporations
320 West 4th Street, Ste. 750
4 Los Angeles, California 90013-2344
Telephone: (213) 576-6205 Fax: (213) 576-7181

5 Attorneys for Complainant
6

7 BEFORE THE DEPARTMENT OF CORPORATIONS
8 OF THE STATE OF CALIFORNIA
9

10	In the Matter of the Accusation of THE)	Case No.: 100-3789
	CALIFORNIA CORPORATIONS)	
11	COMMISSIONER,)	ORDER REVOKING CALIFORNIA
12)	DEFERRED DEPOSIT TRANSACTION LAW
	Complainant,)	LICENSE PURSUANT TO FINANCIAL
13)	CODE SECTION 23052
14	vs.)	
)	
15	PAWN ZONE CORP. dba CASH NET PLUS)	
)	
16	Respondent.)	
)	
17)	

18
19 The California Corporations Commissioner (“Commissioner”) finds:

20
21 1. Respondent Pawn Zone Corp. dba Cash Net Plus (“Pawn Zone”) is a deferred deposit
22 transaction originator licensed by the California Corporations Commissioner (“Commissioner”)
23 pursuant to the California Deferred Deposit Transaction Law (California Financial Code § 23000 et
24 seq.) (“CDDTL”).

25 2. Pursuant to California Financial Code section 23013, all CDDTL licensees are
26 required to maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of Pawn
27 Zone expired on November 10, 2009. On or about November 16, 2009, the Commissioner notified
28

1 Pawn Zone that a replacement surety bond had to be filed immediately, but no later than the
2 expiration date to avoid suspension or revocation of its CDDTL license.

3 3. Pawn Zone has not obtained a replacement surety bond in violation of California
4 Financial Code section 23013.

5 4. Failure to maintain a surety bond is grounds under Financial Code section 23052 for
6 the revocation of a license issued under the CDDTL.

7 5. On February 1, 2010, the Commissioner issued a Notice of Intention to Issue Order
8 Revoking CDDTL License, Accusation, accompanying documents against Pawn Zone based upon
9 the above, and Pawn Zone was served with those documents by certified mail, return receipt on or
10 about February 2, 2010.

11 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the CDDTL
12 license issued to Pawn Zone Corp. dba Cash Net Plus is hereby revoked. This order is effective as
13 of the date hereof.

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Dated: February 26, 2010
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator