

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

TO: FFD Resources IV LLC, doing business as Payday Yes
711 S. Carson St., Ste # 4
Carson City, NV 89701

Loren R. Cook and Associates, Ltd., LLP
2500 Wilcrest, Suite 201
Houston, TX 77042

DESIST AND REFRAIN ORDER

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

The California Corporations Commissioner finds that:

1. FFD Resources IV LLC (“FFD”) is, and was at all relevant times herein, a Nevada limited liability company with its principal place of business located at 711 S. Carson St., Ste # 4, Carson City, NV 89701, doing business as Payday Yes.

2. Loren R. Cook and Associates Ltd. LLP (“Loren”) is, and was at all relevant times herein, a Texas limited liability partnership with its principal place of business located at 2500 Wilcrest, Suite 201, Houston, TX 77042.

3. FFD and Loren engage 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.

4. 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”.

5. During January 2008, FFD and Loren originated a deferred deposit transaction with at least one California resident through the website www.paydayyes.com, which authorized FFD to

1 electronically debit the borrower's account by means of an Automated Clearing House with the loan
2 amount, fees and charges, on the due date.

3 6. FFD and Loren have not been issued a license by the California Corporations
4 Commissioner authorizing it to engage in the business of originating deferred deposit transactions
5 under the California Deferred Deposit Transaction Law (California Financial Code § 23000 et seq.).

6 7. FFD and Loren are not exempt from the licensing requirements of California
7 Financial Code section 23005.

8 8. By reason of the foregoing, FFD and Loren have engaged in the business of
9 originating or offering to originate deferred deposit transactions without having first obtained a
10 license from the California Corporations Commissioner in violation of California Financial Code
11 section 23005.

12 Pursuant to California Financial Code section 23050, FFD Resources IV LLC, doing
13 business as Payday Yes and Loren R. Cook and Associates Ltd., LLP, are hereby ordered to desist
14 and refrain from engaging in the business of deferred deposit transactions, including but not limited
15 to, originating or offering to originate deferred deposit transactions in the State of California without
16 first obtaining a license from the California Corporations Commissioner, or otherwise being exempt.
17 This Order is necessary, in the public interest, for the protection of consumers and is consistent with
18 the purposes, policies and provisions of the California Deferred Deposit Transaction Law. This
19 order shall remain in full force and effect until further order of the Commissioner.

20 California Financial Code section 23050 provides:

21 Whenever, in the opinion of the commissioner, any person is engaged in the
22 business of deferred deposit transactions, as defined in this division, without
23 a license from the commssioner. . . the commissioner may order that person
24 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.

25 Dated: June 27, 2008
26 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

27 By _____
28 ALAN S. WEINGER
Acting Deputy Commissioner