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STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT

TO: QC Lending, LLC
1101 North Brevard Street
Charlotte, North Carolina 28206

DESIST AND REFRAIN ORDER
(For violations of sections 22161, 22164 and 22346 of the California Finance Lenders Law)

The Commissioner of Business Oversight finds that:

1. QC Lending, LLC (QC Lending) has been licensed by the Commissioner, since on or about May 13, 2013, to engage in the business of a finance lender and broker. QC Lending has its principal place of business located at 1101 North Brevard Street, Charlotte, North Carolina 28206.

2. In or about December 2016, QC Lending engaged in misleading advertising in violation of Financial Code sections 22161, subdivision (b), 22164, and 22346, subdivision (d) by sending a loan solicitation to consumers, which did the following:

a) failed to disclose in close proximity to the reference of the name of the consumer’s lender that QC Lending was not sponsored by or affiliated with the consumer’s lender and the solicitation was not authorized by the consumer’s lender as required by Business and Professions Code section 14701, subdivision (a) and 12 Code of Federal Regulations, section 1026.24, subdivision (i)(4);

b) failed to disclose in close proximity to the reference to the amount of the existing loan that QC Lending was not sponsored by or affiliated with the consumer’s lender, the solicitation was not authorized by the consumer’s lender, and the consumer’s information was not provided by the consumer’s lender as required by Business and Professions Code section 14702;

c) falsely represented that QC Lending was the preferred broker of the consumers’ current lender in violation of Financial Code section 22161, subdivision (b);

d) failed to fully and clearly describe the terms of the loan programs offered as required by Financial Code section 22164;

1 e) failed to clearly and conspicuously set forth the amount of each payment that
2 will apply over the term of the loan and the period of time for which each payment will apply in
3 providing monthly payment amounts for pulling extra cash out as required by 12 Code of Federal
4 Regulations, section 1026.24, subdivision (f)(3)(i);

5 f) represented that the product would eliminate debt in violation of Financial
6 Code section 22161, subdivision (b) and 12 Code of Federal Regulations, section 1026.24,
7 subdivision (i)(5);

8 g) represented that the loan product had “zero closing costs” when the interest
9 rate and annual percentage rate indicated closing costs would be charged in violation of Financial
10 Code section 22161, subdivision (b); and

11 h) represented that the product offered was a government loan program,
12 government-supported loan, or was otherwise endorsed or sponsored by the federal government
13 without identifying the government loan program in violation of 12 Code of Federal Regulations,
14 section 1026.24, subdivision (i)(3).

15 Pursuant to Financial Code section 22712, QC Lending, LLC and any and all officers,
16 directors, employees, independent contractors, or agents operating on behalf of QC Lending, LLC
17 and their successors or assigns are ordered to desist and refrain from engaging in any deceptive
18 and/or misleading advertising, including the advertising described herein.

19 This Order is necessary, in the public interest, for the protection of consumers and is
20 consistent with the purposes, policies and provisions of the California Finance Lenders Law.

21 Dated: January 27, 2017
22 Los Angeles, CA

JAN LYNN OWEN
Commissioner of Business Oversight

23
24 By _____
25 Mary Ann Smith
26 Deputy Commissioner
27 Enforcement Division
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