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11 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
12 OF THE STATE OF CALIFORNIA
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14	In the Matter of:)	CFL LICENSE NO.: 60DBO-57159
15	THE COMMISSIONER OF BUSINESS)	
16	OVERSIGHT,)	CITATION PURSUANT TO FINANCIAL
17	Complainant,)	CODE SECTION 22707.5
18	v.)	
19	RITCHIE BROS. FINANCIAL SERVICES)	
20	LTD.,)	
21	Respondent.)	
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23 Jan Lynn Owen, the Commissioner of Business Oversight (Commissioner), finds the
24 following:

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I.**FACTUAL BACKGROUND**

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3 1. Ritchie Bros. Financial Services Ltd. is a corporation organized in the Province of
4 British Columbia, Canada with a principal place of business at 9500 Glenlyon Parkway,
5 Burnaby, British Columbia V5J 0C6.

6 2. Ritchie Bros. Financial Services Ltd. is licensed as a finance broker under the
7 California Finance Lenders Law (CFLL) with license number 60DBO-57159 (RBFS).

8 3. In accordance with Financial Code section 22159, CFLL licensees must file an
9 annual report with the Commissioner by March 15th of each year (Annual Report).

10 4. On March 6, 2017, the Commissioner notified CFLL licensees of the March 15th
11 deadline to file their annual reports by sending notice to the email address each CFLL licensee
12 established pursuant to the Commissioner's Order on Electronic Communications, dated
13 November 22, 2013.

14 5. As of March 22, 2017, RBFS had not filed its Annual Report with the
15 Commissioner. As a result, the Commissioner issued a notice letter to RBFS on March 22, 2017,
16 advising RBFS that it should file its annual report by April 11, 2017 or else its license would be
17 summarily revoked pursuant to Financial Code section 22715 (Notice Letter).

18 6. As of April 11, 2017, RBFS had still not filed its Annual Report with the
19 Commissioner. As a result, on April 19, 2017, the Commissioner issued an order pursuant to
20 Financial Code section 22715 immediately revoking the CFLL license of RBFS (Revocation
21 Order).

22 7. RBFS failed to check, on a daily basis, the email address it established pursuant to
23 the Commissioner's Order on Electronic Communications, dated November 22, 2013, as
24 prescribed by the order.

25 8. In connection with this proceeding, RBFS represented to the Commissioner that it
26 had funded ten loans between the date of the Revocation Order and the date of this order.

27 9. On May 25, 2017, RBFS submitted its Annual Report, which was due on March
28 15, 2017.

1 10. In reliance upon these facts, on May 25, 2017, the Commissioner issued an order
 2 rescinding the earlier Revocation Order, which had been issued on April 19, 2017.
 3 Consequently, as of May 25, 2017, RBFS's licensure under the CFLL was restored.

4 **II.**
 5 **CITATION**

6 Financial Code section 22707.5, subdivision (a), provides in relevant part:

7 (a) If, upon inspection, examination, or investigation, the
 8 commissioner has cause to believe that a licensee or other person is
 9 violating any provision of this division or any rule or order
 10 thereunder, the commissioner or his or her designee, may issue a
 11 citation to the licensee or person in writing, describing with
 12 particularity the basis of the citation . . . In addition, each citation
 13 may assess an administrative fine not to exceed two thousand five
 14 hundred dollars (\$2,500)

15 Based on the foregoing, RBFS failed to file an annual report with the Commissioner by March
 16 15, 2017 in violation of Financial Code section 22159. The Commissioner hereby assesses RBFS an
 17 administrative fine of \$500.00 pursuant to Financial Code section 22707.5, subdivision (a). RBFS is
 18 hereby ordered to pay the Commissioner an administrative fine of \$500.00 for the above citation
 19 within 30 days from the date of this citation.

20 Based on the foregoing, RBFS failed to maintain its books, accounts and records in
 21 accordance with good business practice in violation of section 1426 of Title 10 of the California Code
 22 of Regulations. The Commissioner hereby assesses RBFS an administrative fine of \$500.00 pursuant
 23 to Financial Code section 22707.5, subdivision (a). RBFS is hereby ordered to pay the Commissioner
 24 an administrative fine of \$500.00 for the above citation within 30 days from the date of this citation.

25 Based on the foregoing, in connection with the ten loans funded after the issuance of the
 26 Revocation Order, RBFS engaged in the business of a finance lender or broker without licensure in
 27 violation of Financial Code section 22100. The Commissioner hereby assesses RBFS an
 28 administrative fine of \$1,500.00 pursuant to Financial Code section 22707.5, subdivision (a). RBFS
 is hereby ordered to pay the Commissioner an administrative fine of \$1,500.00 for the above citation
 within 30 days from the date of this citation.

1 RBFS shall pay these fines with a cashier's check made payable to the Department of
2 Business Oversight for the amount of \$2,500.00 and shall submit that check to the following address
3 within thirty (30) days from the date of this citation: ATTN: Accounting – Litigation, Department of
4 Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment
5 shall be sent to: Adam Wright, Senior Counsel, Department of Business Oversight, 320 W. 4th
6 Street, Suite 750, Los Angeles, California 90013.

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8 Dated: May 25, 2017
9 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

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By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

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