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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
9 OF THE STATE OF CALIFORNIA

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11 In the Matter of the Petition for Reinstatement ) CFL LICENSE NO.: 603-A620  
12 of: )  
13 SEAN ROBERTS a.k.a. SEAN R. ROBERTS ) ORDER DENYING PETITION FOR  
14 ) REINSTATEMENT  
15 ) (Gov. Code, § 11522)  
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TO: Xavier Becerra  
Attorney General of California  
Department of Justice  
P.O. Box 944255  
Sacramento, California 94244-2550

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1 of Consolifi. Petitioner is correspondingly not listed in the CA SOS’s records and filings for  
2 Consolifi.

3 6. Petitioner stated in his Supplemental Declaration that in May 2014 through March  
4 2015 he served as President and CEO of Lateott, Inc. (Lateott) in Costa Mesa, California, which he  
5 described as “a debt settlement company that I formed in 2014 to assist consumers with unsecured  
6 debt who were experiencing, or had experienced, a severe financial hardship.” Yet, Lateott filed its  
7 Articles of Incorporation with the CA SOS on October 14, 2008, and a Statement of Information on  
8 January 14, 2009. As of August 23, 2018, no other filings have been made with the CA SOS, and no  
9 filings disclose Petitioner as an officer, director, incorporator, or agent for service of process.

10 7. Therefore, Petitioner filed documents with the Commissioner and the CA SOS  
11 regarding his employment at Settle It, Consolifi, and Lateott that conflict with his Supplemental  
12 Declaration, contradicting his claimed rehabilitation and fitness to be employed by, or to manage or  
13 control a finance lender and/or broker.

14 **II.**  
15 **Petitioner Failed to Demonstrate Rehabilitation and Compliance with the Order Barring.**

16 8. On March 2, 2009, the Commissioner issued an Accusation to bar Petitioner from any  
17 position of employment, management or control of any finance lender and/or broker pursuant to  
18 Financial Code section 22169 alleging, among other things: (i) falsely advertising that FiVanta  
19 Funding Corp. (FiVanta) was licensed to lend under the CFL in violation of Financial Code section  
20 22161, and (ii) failing to amend FiVanta’s application to disclose Petitioner as its Corporate  
21 Secretary in violation of Financial Code section 22108 and California Code of regulations, title 10,  
22 section 1422 (Accusation). On August 26, 2009, the Commissioner issued to Petitioner the Order  
23 Barring.

24 9. Petitioner’s employment history since the Order Barring fails to demonstrate his  
25 claimed rehabilitation and compliance with the Order Barring as described in further detail below.

26 10. On June 1, 2011, the California Franchise Tax Board (CA FTB) suspended Lateott  
27 for failure to pay state taxes. Petitioner declared in his Supplemental Declaration that on or around  
28 April 13, 2017, he retained a tax and accounting specialist to resolve any and all former corporate

1 issues still open. A letter dated May 24, 2018 from Petitioner’s tax and accounting specialist stated  
2 that he intended to resolve any and all unresolved issues “within the next 90 days subject to no major  
3 delays.” As of August 23, 2018, or 498 days after Petitioner retained the tax and accounting  
4 specialist, and 92 days after the May 24, 2018 letter, Lateott remained suspended by the CA FTB.

5 11. Petitioner declared in his Supplemental Declaration that in May 2014 through March  
6 2015, he was President and CEO of Lateott, and performed the following duties:

- 7 (1) planned, organized, led and coordinated day-to-day activities of non-  
8 exempt associates; (2) maintained records related to associates’  
9 performance, attendance, schedule, and compliance; (3) administrated and  
10 monitored operational budgets; (4) communicated approved policies,  
11 procedures, and service standards to associates; (5) recruited, hired,  
12 developed, evaluated, disciplined, and discharged personnel; (6)  
developed, implemented, and monitored ongoing quality control  
procedures; (7) assisted other departments with escalated issues; and (8)  
executed marketing ideas, strategies, and tactical plans.

13 12. Petitioner’s failure to resolve outstanding tax issues for a company he purportedly  
14 formed; performing essential functions such as coordinating day-to-day activities; maintaining  
15 records relating to compliance administrating and monitoring operational budgets, hiring and  
16 discharging personnel; “assist[ing] consumers with unsecured debt . . . and serv[ing] as a go-between  
17 for consumers and other affiliate debt-settlement companies to facilitate the affiliates’ client  
18 enrollment process,” etc., for a suspended CA corporation, while failing to disclose his name in any  
19 CA SOS filing all belie his claim of rehabilitation since the Order Barring was issued against him by  
20 the Commissioner on August 26, 2009.

21 13. Petitioner did not resolve the outstanding corporate and tax issues that were  
22 mentioned in the order denying his prior petition for reinstatement on or around July 16, 2013, as  
23 each of the following entities remain suspended by the CA FTB as of August 23, 2018:

- 24 a) FiVanta Funding Corp., suspended since May 1, 2009;  
25 b) Debt Barter, Inc., suspended since April 1, 2011;  
26 c) Lateott, suspended since June 1, 2011.

27 14. Petitioner’s history of failure to pay state taxes contradicts his claim of rehabilitation  
28 since the Order Barring.

1           15.     Petitioner declared in his Supplemental Declaration that in September 2016 through  
2 April 2018 he served as President, CEO, and Executive Director at Settle It, which is purportedly a  
3 “performance based, service-driven debt settlement company that offers innovative plans to resolve  
4 debts for consumers facing a financial hardship.”

5           16.     Petitioner declared in his Supplemental Declaration that he performed the same eight  
6 responsibilities and duties referenced in Paragraph 11 above, which he had performed while serving  
7 as the President and CEO of Lateott in May 2014 through March 2015.

8           17.     Petitioner declared in his Supplemental Declaration,

9                     In September 2016 through April 2018, I served as President, CEO, and  
10                     Executive Director at Settle It, Inc. in Orange, California . . . In September  
11                     2016, when I first started working at Settle It, Inc., I informed the  
12                     principals about the bar Order attached hereto as Exhibit 3 . . . Because  
13                     Settle It, Inc. envisioned that at some point it might want to get its lender’s  
14                     license, I submitted my Petition to the Department of Business Oversight  
15                     of the State of California on April 7, 2017 . . . .

16           18.     Yet, Settle It’s January 11, 2018 application to the Commissioner for a CFL Lender  
17 and Broker license, including all subsequent amendments, which requires disclosure of all officers,  
18 directors, and control persons and a completed Statement of Identity Questionnaire for each of them,  
19 failed to mention Petitioner entirely. Settle It also omitted an October 6, 2016 Statement of  
20 Information filed with the CA SOS, signed and certified as true and correct by Petitioner as its  
21 President, and which listed Petitioner as the CEO, Secretary, and a Director of the company.  
22 Stephen Klopstock, declared under penalty of perjury as Settle It’s CEO/President and Director that  
23 the statements in Settle It’s application, including all attached Exhibits, were true and correct.

24           19.     To date, Settle It does not have any license under the CFL.<sup>2</sup>

25           20.     Moreover, in or around February 2018, during Petitioner’s purported service as  
26 President, CEO, and Executive Director at Settle It for which he received wages, a “Debt Specialist”  
27 at Settle It (Settle It Representative) responded to a California consumer’s (CA Consumer) inquiry

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28 <sup>2</sup> On April 19, 2018, Settle It withdrew its application for a CFL Lender and Broker license. On June 8, 2018, Settle It submitted a second application for just a CFL Broker license. While including some of Settle It’s formation documents, it once again omitted the October 6, 2016 Statement of Information filed with the CA SOS, signed and certified as true and correct by Petitioner as its President, and which listed Petitioner as the CEO, Secretary, and a Director of the company. Currently the application is still pending and has not been approved.

1 made on Settle It’s website, [settleit.com](http://settleit.com), regarding its services. On or around February 12, 2018, the  
2 Settle It Representative stated,

3           The goal of the process is to improve your credit by quickly paying off  
4           your debt and making you eligible for the *Fresh Start loan* to pay off all  
5           of your debt. The program *minimum payment is \$200 per month*, but  
6           that is based on how much debt you have and how fast you want to settle  
7           your accounts. (Emphasis added.)

7           21. In or around March 2018, the Settle It Representative asked the CA Consumer via  
8           email when he wanted to come in to their office, which he stated was “in Anaheim at the Block.”  
9           The Settle It Representative stated,

10           We don’t have a store in the mall. Our company occupies the 9<sup>th</sup> floor of  
11           the One City Blvd building with the CashCall sign on it. If you choose to  
12           enroll in our Fresh Start program we work to resolve your debt for less  
13           than what you owe and you will not be making payments to the creditors  
14           directly. You and I will work out one monthly payment that we will use to  
15           resolve your debts. If you make 6 consecutive monthly payments *then*  
16           *you may be eligible for the Fresh Start personal loan that we will use to*  
17           *resolve all of your debt and help you re-establish good credit.* The effect  
18           on credit depends on what your credit looks like now. If you have bad  
19           credit, then it will improve it. If you have good credit, then the lenders  
20           would be lending you more debt, and they typically wouldn’t be *referring*  
21           *you to us.* Everything we do is designed to help you be lendable again in  
22           the future . . . . (Emphasis added.)

22           22. On or around March 28, 2018, the Settle It Representative stated in an email,  
23           I’m sure you are probably pretty busy but I need to move your file  
24           forward. When can I get the information I need to *qualify you for the*  
25           *program?* I need to do a *soft inquiry into your Trans Union report* for  
26           your debt list and *get your budget* from you so you can *choose your*  
27           *payment* . . . . (Emphasis added.)

23           23. Financial Code section 22004 defines “broker” as including any person who is  
24           engaged in the business of negotiating or performing any act as broker in connection with loans  
25           made by a finance lender.

26           24. Cash Call, Inc., located at One City Boulevard West, Suite 102, Orange, California  
27           92868, is currently a CFL lender licensee. Its website at <https://www.cashcall.com/settleit> states,  
28           “Our Certified Debt Settlement Specialists can help you choose the repayment plan that’s best for

1 you. Visit our friends at Settle It,” and provides a link to Settle It’s website at  
2 <https://www.settleit.com/>.

3 25. Conflicting with Petitioner’s claim in his Supplemental Declaration that he complied  
4 with the Order Barring, the Settle It Representative’s statements indicate that Settle It engaged in the  
5 business of a finance lender and/or broker by soliciting consumer information including, but not  
6 limited to a “soft inquiry” for a credit report to “qualify” the consumer for the Fresh Start personal  
7 loan program, purportedly to “use to resolve all of your debt and help you re-establish good credit,”  
8 and obtaining referrals from lenders.

9 26. Therefore, Petitioner’s Supplemental Declaration and documents submitted in  
10 connection with his Petition fail to support his claim of rehabilitation due to outstanding tax issues  
11 unresolved since the denial of his prior petition for reinstatement on July 16, 2013, and fail to  
12 support his claim of compliance with the August 26, 2009 Order Barring him from any position of  
13 employment, management, or control of any finance lender and/or broker in that while he served as  
14 Settle It’s President, CEO, and Executive Director, Settle It engaged in activities constituting a  
15 finance broker.

16  
17 WHEREFORE, IT IS ORDERED that the Petition be denied.

18  
19 Dated: October 8, 2018  
20 Los Angeles, California

21 JAN LYNN OWEN  
22 Commissioner of Business Oversight

23 By \_\_\_\_\_  
24 Mary Ann Smith  
25 Deputy Commissioner  
26 Enforcement Division  
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