

1 PRESTON DuFAUCHARD
2 California Corporations Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
4 Deputy Commissioner
5 Department of Corporations
6 320 West 4th Street, Ste. 750
7 Los Angeles, California 90013-1105
8 Attorneys for Complainant

9
10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA
12

13 In the Matter of the Accusation of) File No. 603-E126
14 THE CALIFORNIA CORPORATIONS)
15 COMMISSIONER,)
16)
17 Complainant,)
18)
19 vs.) NOTICE OF INTENTION
20) TO ISSUE ORDER
21) REVOKING CALIFORNIA
22 SAGE FINANCIAL GROUP, LLC ,) FINANCE LENDERS LICENSE
23)
24 Respondent.)
25)
26)
27)
28)

29 Pursuant to section 22714 of the California Finance Lenders Law (California
30 Financial Code), notice is hereby given of the intention of the California Corporations
31 Commissioner to enter his Order pursuant to section 22714 of the California Finance
32 Lenders Law to revoke Respondent's finance lenders license.

33 The attached Accusation, which is incorporated by this reference, states the reasons
34 for the intended Order.

35 Unless a request for hearing, as evidenced by the mailing or delivery of the Notice of
36 Defense, is received within 15 days after the Accusation was personally served upon
37
38

1 you or mailed to you, such Order may be entered at any time thereafter without a hearing.

2
3 DATED: March 9, 2011
4 Los Angeles, California

5 PRESTON DuFAUCHARD
6 California Corporations Commissioner

7 By _____
8 PATRICIA R. SPEIGHT
9 Special Administrator
10 California Finance Lenders Act

1 PRESTON DuFAUCHARD
2 California Corporations Commissioner
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10 BEFORE THE DEPARTMENT OF CORPORATIONS
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13 In the Matter of the Accusation of) File No. 603-E126
14 THE CALIFORNIA CORPORATIONS)
15 COMMISSIONER,)
16)
17 Complainant,)
18)
19 vs.) ACCUSATION
20)
21 SAGE FINANCIAL GROUP, LLC ,)
22)
23 Respondent.)
24)
25)
26)
27)
28)

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

31 I

32 Respondent is a finance lender and/or broker licensed by the California Corporations
33 Commissioner ("Commissioner") pursuant to the California Finance Lenders Law
34 (California Financial Code § 22000 et seq.) ("CFL"). Respondent has its principal place of
35 business located at:

36
37 3250 WILSHIRE BOULEVARD, SUITE 1700
38 LOS ANGELES, CA 90010

1 II

2 Pursuant to California Financial Code section 22112, all CFL licensees are required to
3 maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of
4 respondent expired on February 27, 2011. On or about January 28, 2011 the Commissioner
5 notified respondent that a replacement surety bond had to be filed immediately, but no later
6 than the expiration date to avoid suspension or revocation of its CFL license.

7 Respondent has yet to obtain a replacement surety bond in violation of California
8 Financial Code section 22112.

9 III

10 California Financial Code section 22112 provides in pertinent part:

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

23 California Financial Code section 22714 provides in pertinent part:

24 The commissioner may suspend or revoke any license, upon notice and
25 reasonable opportunity to be heard, if the commissioner finds any of the
26 following:

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

(b) The licensee has violated any provision of this division or any rule or
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.

1 IV

2 The Commissioner finds that, by reason of the foregoing, Respondent has violated
3 California Financial Code section 22112, and based thereon, grounds exist to revoke the
4 California Finance Lender license of Respondent.

5 WHEREFORE, IT IS PRAYED that the California finance lender license of
6 Respondent be revoked.

7 DATED: March 9, 2011
8 Los Angeles, California

9
10 PRESTON DuFAUCHARD
California Corporations Commissioner

11
12 By _____
13 PATRICIA R. SPEIGHT
14 Special Administrator
California Finance Lenders Act

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1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 MARLOU de LUNA (CA BAR NO. 162259)
Sr. Corporations Counsel
4 DEPARTMENT OF CORPORATIONS
320 West 4th Street, Suite 750
5 Los Angeles, California 90013-2344
Telephone: 213-576-7606
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

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

11	In the Matter of)	CASE NO.: 603-E126
12	THE CALIFORNIA CORPORATIONS)	OAH No.: 2011080262
13	COMMISSIONER,)	
14	Complainant,)	STIPULATION TO SURRENDER OF
15	v.)	FINANCE LENDER LICENSE
16	SAGE FINANCIAL GROUP, LLC,)	
17	Respondent.)	
18)	

19
20 The California Corporations Commissioner, by and through, Preston DuFauchard
21 (“Complainant” or “Commissioner”) and Respondent Sage Financial Group, LLC (“Sage Financial”
22 or “Respondent”) enter into a stipulation in the above-captioned administrative matters as follows:

23 **RECITALS**

24 A. Sage Financial is a finance lender and/or broker licensed by the Commissioner
25 pursuant to the California Financial Lenders Law (California Financial Code § 22000 et seq.).
26 Respondent has its principal place of business at 3250 Wilshire Boulevard, Suite 1700, Los Angeles,
27 California 90010.

28 ///

1 B. On or about March 9, 2011, the Commissioner commenced administrative actions
2 against Sage Financial for failing to obtain a replacement surety bond in violation of California
3 Financial Code section 22112.

4 C. On or about March 9, 2011, the Commissioner issued and served Sage Financial, by
5 mail, with copies of the following: Notice of Intention to Issue Order Revoking California Finance
6 Lenders; Accusation; Statement to Respondent; Government Code Sections 11507.5, 11507.6 and
7 11507.7; and a Notice of Defense (documents referenced hereinafter collectively as "Administrative
8 Pleadings").

9 D. On or about March 28, 2011, the Department received the Notice of Defense from Sage
10 Financial acknowledging receipt of copies of the Administrative Pleadings and Sage Financial's
11 request for a hearing in the administrative matter.

12 E. On or about October 31, 2011, the Department received Sage Financial's written
13 request to surrender its finance lender license issued on December 4, 2006.

14 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
15 forth herein, the parties agree as follows:

16 **TERMS AND CONDITIONS**

17 1. This Stipulation is entered into for the purpose of judicial economy and expediency,
18 and to avoid the expense of a hearing, and possible further court proceedings.

19 2. The Commissioner hereby consents to the pending request of Sage Financial to
20 surrender its finance lender license ("surrender request").

21 3. In consideration of the Commissioner's consent to the surrender request, Sage
22 Financial agrees that it will not apply for a further finance lender license in the State of California for
23 a period of one (1) year from the date of execution of this Stipulation by the parties.

24 4. Sage Financial further agrees that in the event it applies for a further finance lender
25 license in the State of California prior to the expiration of the one-year period set forth herein, such
26 application shall be deemed automatically denied. In connection with any such automatic denial,
27 Sage Financial hereby waives its right to any reconsideration, appeal or other right to review which
28 may be afforded pursuant to the California Finance Lenders Law, the Administrative Procedure Act

1 (Govt. Code, § 11340 et seq.), the Code of Civil Procedure (Code of Civ. Proc., § 1 et seq.), or any
2 other provision of law in connection therewith.

3 5. Sage Financial acknowledges the hearing scheduled in this matter shall go forward as
4 scheduled in the event the Commissioner does not timely receive an executed copy of this
5 Stipulation from Sage Financial no later than 12:00 noon, November 9, 2011.

6 6. Each of the parties represents, warrants, and agrees that he has received independent
7 advice from his attorney(s) and/or representatives with respect to the advisability of executing this
8 Stipulation.

9 7. Each of the parties represents, warrants, and agrees that in executing this Stipulation
10 he has relied solely on the statements set forth herein and the advice of his own attorney(s) and/or
11 representatives. Each of the parties further represents, warrants, and agrees that in executing this
12 Stipulation he has placed no reliance on any statement, representation, or promise of any other party,
13 or any other person or entity not expressly set forth herein, or upon the failure of any party or any
14 other person or entity to make any statement, representation or disclosure of anything whatsoever.
15 The parties have included this clause: (1) to preclude any claim that any party was in any way
16 fraudulently induced to execute this Stipulation; and (2) to preclude the introduction of parol
17 evidence to vary, interpret, supplement, or contradict the terms of this Stipulation.

18 8. This Stipulation is the final written expression and the complete and exclusive
19 statement of all the agreements, conditions, promises, representations, and covenants between the
20 parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous
21 agreements, negotiations, representations, understandings, and discussions between and among the
22 parties, their respective representatives, and any other person or entity, with respect to the subject
23 matter covered hereby.

24 9. In that the parties have had the opportunity to draft, review and edit the language of
25 this Stipulation, no presumption for or against any party arising out of drafting all or any part of this
26 Stipulation will be applied in any action relating to, connected, to, or involving this Stipulation.
27 Accordingly, the parties waive the benefit of Civil Code section 1654 and any successor or amended
28 statute, providing that in cases of uncertainty, language of a contract should be interpreted most
strongly against the party who caused the uncertainty to exist.

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10. This Stipulation shall not become effective until signed and delivered by all parties. This Stipulation may be executed in one or more counterparts, each of which shall be an original but all of which, together, shall be deemed to constitute a single document. This Stipulation may be executed by facsimile signature, and any such facsimile signature by any party hereto shall be deemed to be an original signature and shall be binding on such party to the same extent as if such facsimile signature were an original signature.

11. Each signator hereto covenants that he possesses all necessary capacity and authority to sign and enter into this Stipulation.

Dated: _____ 11/9/2011 _____ California Corporations Commissioner
PRESTON DuFAUCHARD

By: _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

Dated: _____ 11/8/2011 _____ By: _____
Justin Ju
President, Sage Financial Group, LLC