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7 Attorneys for Complainant

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

10  
11 In the Matter of: ) FILE NO. 21131  
 )  
12 THE COMMISSIONER OF BUSINESS )  
OVERSIGHT, ) SETTLEMENT AGREEMENT  
13 )  
14 Complainant, )  
 )  
15 v. )  
 )  
16 StoreFront Lenders, LLC a.k.a. )  
17 StoreFrontLender.com a.k.a. )  
18 DOT818.com a.k.a. Dot818, )  
 )  
19 Respondent. )

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25 This Settlement Agreement is entered into between StoreFront Lenders, LLC a.k.a.  
26 StoreFrontLender.com a.k.a. DOT818.com a.k.a. Dot818 (StoreFront Lenders), and the  
27 Commissioner of Business Oversight (Commissioner), and is made with respect to the following  
28 facts:

**RECITALS**

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2           A.     At all relevant times, StoreFront Lenders is a California limited liability company  
3 incorporated on or around November 14, 2011, with a principal place of business located at 1111  
4 North Brand Boulevard, Suite 401, Glendale, California 91202.

5           B.     From in or around 2013 through 2014, StoreFront Lenders operated the website,  
6 www.storefrontlender.com, which advertised, “Local Internet Leads Delivered To Your Store  
7 Front,” and displayed the telephone number (855) 478-6733. Starting from in or around 2015,  
8 StoreFront Lenders operated the website, www.dot818.com, which advertises, “With dot818, you  
9 can consistently improve your ROI as you buy or sell online traffic in short-term, installment, small  
10 business, or personal loans,” and displays the telephone number (818) 844-3900.

11           C.     The Commissioner has jurisdiction over deferred deposit transactions as set forth in  
12 the California Deferred Deposit Transaction Law (Fin. Code, § 23000 *et seq.*) (CDDTL). “Deferred  
13 deposit transactions,” commonly referred to as “payday loans” or “payday advances,” means a  
14 transaction whereby a person defers depositing a customer’s personal check until a specific date,  
15 pursuant to a written agreement for a fee or other charge.

16           D.     The Commissioner also has jurisdiction over the licensing and regulation of finance  
17 lenders and brokers in the State of California pursuant to the California Financing Law<sup>1</sup> (Fin. Code,  
18 § 22000 *et seq.*) (CFL).

19           E.     StoreFront Lenders has never obtained any license under the CDDTL or CFLL.

20           F.     On July 14, 2017, the Commissioner issued Desist and Refrain Orders Pursuant to  
21 Financial Code Sections 23050 and 22712; and Citations Pursuant to Financial Code Sections  
22 23058 and 22707.5 (Orders), which are attached hereto as Exhibit A and incorporated herein by this  
23 reference. On or about July 24, 2017, StoreFront Lenders was served with the Orders.

24           G.     On or about August 21, 2017, StoreFront Lenders requested a hearing regarding the  
25 Orders. StoreFront Lenders hereby withdraws its request for a hearing.

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28 \_\_\_\_\_  
<sup>1</sup> Effective October 4, 2017, the name of the “California Finance Lenders Law” changed to the “California Financing Law.” (Assem. Bill No. 1284 (2017-2018 Reg. Sess.) § 4.) For purposes of this document, a reference to the California Financing Law means the California Finance Lenders Law before October 4, 2017 and the California Financing Law on and after that date. (Fin. Code, § 22000.)

1 H. StoreFront Lenders admits to the jurisdiction of the Commissioner, consents to entry  
2 of this Settlement Agreement and agrees to comply with its terms but does not admit or deny any of  
3 the violations of law found by the Commissioner herein.

4 I. StoreFront Lenders indicated its intent to cooperate fully with the Department of  
5 Business Oversight (Department) to resolve the violations alleged in the Orders.

6 J. It is the intention and desire of the parties to resolve this matter without the necessity  
7 of a hearing and/or other litigation.

8 **TERMS AND CONDITIONS**

9 1. Purpose. This Settlement Agreement is entered into for the purpose of judicial  
10 economy and expediency, and to avoid the expense of a hearing and possible further court  
11 proceedings.

12 2. Waiver. StoreFront Lenders acknowledges its right to an administrative hearing  
13 under the CDDTL and CFL in connection with the Orders. StoreFront Lenders hereby waives its  
14 right to a hearing, and to any reconsideration, appeal, or other rights which may be afforded  
15 pursuant to the CDDTL, CFL, the California Administrative Procedure Act, the California Code of  
16 Civil Procedure, or any other provision of law in connection thereto.

17 3. Final Orders. StoreFront Lenders agrees that the Orders are hereby deemed final  
18 orders. Storefront Lenders agrees to pay the Citations Pursuant to Financial Code sections 23058  
19 and 22707.5 totaling \$5,000.00 immediately upon StoreFront Lenders’ signing of this Settlement  
20 Agreement and shall be made payable to the Commissioner in the form of a cashier’s check or  
21 Automated Clearing House deposit to the “Department of Business Oversight,” and transmitted to:  
22 Accounting – Enforcement Division, Department of Business Oversight, 1515 K Street, Suite 200,  
23 Sacramento, California 95814, contemporaneously with notice of transmittal to Sophia C. Kim at  
24 Sophia.Kim@dbo.ca.gov.

25 4. Full and Final Settlement. The parties hereby acknowledge and agree that this  
26 Settlement Agreement is intended to constitute a full, final and complete resolution of the Orders  
27 and that no further proceedings or actions will be brought by the Commissioner in connection with  
28 the Orders under the CDDTL, CFL, or any other provision of law, excepting therefrom any

1 proceeding or action if such proceeding or action is based upon facts not presently known to the  
2 Commissioner and which were actively concealed from the Commissioner by StoreFront Lenders.  
3 The parties agree that entering into this Settlement Agreement will not automatically result in the  
4 denial of any future application for licensure under the CDDTL and/or CFL by StoreFront Lenders,  
5 its heirs, assigns and/or successors in interest.

6 5. Commissioner's Duties. The parties hereby acknowledge and agree that nothing  
7 contained in this Settlement Agreement shall operate to limit the Commissioner's ability to assist  
8 any other agency, (city, county, state or federal) with any prosecution, administrative, civil or  
9 criminal, brought by any such agency against StoreFront Lenders or any other person based upon  
10 any of the activities alleged in the Orders or otherwise.

11 6. Independent Legal Advice. Each of the parties represents, warrants, and agrees that  
12 it has received independent advice from its attorney(s) and/or representatives with respect to the  
13 advisability of executing this Settlement Agreement.

14 7. Full Integration. Each of the parties represents, warrants, and agrees that in  
15 executing this Settlement Agreement it has relied solely on the statements set forth herein and the  
16 advice of its own counsel and/or representative. Each of the parties further represents, warrants,  
17 and agrees that in executing this Settlement Agreement it has placed no reliance on any statement,  
18 representation, or promise of any other party, or any other person or entity not expressly set forth  
19 herein, or upon the failure of any party or any other person or entity to make any statement,  
20 representation or disclosure of anything whatsoever. The parties have included this clause: (1) to  
21 preclude any claim that any party was in any way fraudulently induced to execute this Settlement  
22 Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or  
23 contradict the terms of this Stipulation.

24 8. Final Agreement. This Settlement Agreement is the final written expression and the  
25 complete and exclusive statement of all the agreements, conditions, promises, representations, and  
26 covenants between the parties with respect to the subject matter hereof, and supersedes all prior or  
27 contemporaneous agreements, negotiations, representations, understandings, and discussions  
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1 between and among the parties, their respective representatives, and any other person or entity, with  
2 respect to the subject matter covered hereby.

3 9. Binding. This Settlement Agreement is binding on all heirs, assigns and/or  
4 successors in interest.

5 10. Third Party Actions. This Settlement Agreement does not create any private rights  
6 or remedies against StoreFront Lenders, create any liability for StoreFront Lenders, or limit  
7 defenses of Storefront Lenders for any person or entity not a party to this Settlement Agreement.

8 11. Presumption from Drafting. In that the parties have had the opportunity to draft,  
9 review and edit the language of this Settlement Agreement, no presumption for or against any party  
10 arising out of drafting all or any part of this Settlement Agreement will be applied in any action  
11 relating to, connected to, or involving this Settlement Agreement. Accordingly, the parties waive  
12 the benefit of California Civil Code section 1654 and any successor or amended statute, providing  
13 that in cases of uncertainty, language of a contract should be interpreted most strongly against the  
14 party who caused the uncertainty to exist.

15 12. Voluntary Agreement. StoreFront Lenders enters into this Settlement Agreement  
16 voluntarily and without coercion and acknowledges that no promises, threats or assurances have  
17 been made by the Commissioner or any officer, or agent thereof, about this Settlement Agreement.

18 13. Waiver, Modification, and Qualified Integration. The waiver of any provision of this  
19 Settlement Agreement shall not operate to waive any other provision set forth herein, and any  
20 waiver, amendment and/or modification to the terms of this Settlement Agreement must be in  
21 writing and signed by the parties.

22 14. Headings and Governing Law. The headings to the paragraphs of this Settlement  
23 Agreement are inserted for convenience only and will not be deemed a part hereof or affect the  
24 construction or interpretation of the provisions hereof. This Settlement Agreement shall be  
25 construed and enforced in accordance with and governed by California law.

26 15. Effective Date. This Settlement Agreement shall become final and effective when  
27 signed by all parties and delivered by the Commissioner’s counsel by email to StoreFront Lenders’  
28 counsel at DSands@sheppardmullin.com.

