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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: GVG FINANCIAL SERVICES, INC.
(DBA Cash N More)
3770 W. McFadden Avenue, Ste. B
Santa Ana, California 92704 - License # 100-0961

1649 W. Orangethorpe Avenue
Fullerton, California 92833 - License # 100-0965

10805 Orr & Day Road, Ste. C
Santa Fe Springs, California 90670 - License # 100-0964

1219 E. 17th Street
Santa Ana, California 92703 - License # 100-2474

1721 W. Katella Avenue, Ste. P
Anaheim, California 92804 - License # 100-3166

12845 Chapman Avenue
Garden Grove, California 92840 - License # 100-0962

119 W. Orangethorpe Avenue
Fullerton, California 92833 - License # 100-0963

1315 N. Tustin Avenue, Ste. C
Orange, California 92867 - License # 100-2185

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (“Agreement”) is entered into as of June 15, 2007, by and between the California Corporations Commissioner (“Commissioner”), on the one hand, and GVG Financial Services, Inc., dba Cash N More (“GVG”) and Robert Vizcarra (“Vizcarra”), on the other hand, (hereinafter collectively “the Parties”).

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RECITALS

This Agreement is made with reference to the following facts:

A. GVG is a corporation in good standing, duly formed and existing pursuant to the laws of the State of California, and authorized to conduct business in this State. GVG has its principal place of business located at 3770 W. McFadden Avenue, Suite B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe Avenue, Fullerton, California 92833; 10805 Orr & Day Road, Suite C, Santa Fe Springs, California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue, Suite P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840; 119 W. Orangethorpe Avenue, Fullerton, California 92833; and 1315 N. Tustin Avenue, Suite C, Orange, California 92867.

B. Vizcarra is, and was at the time of the issuance of the Desist and Refrain Order described in paragraph D below, the president of GVG. Vizcarra is authorized to enter into this Agreement on behalf of GVG.

C. GVG holds a total of eight licenses under the California Deferred Deposit Transaction Law (“CDDTL”) with the Commissioner pursuant to California Financial Code sections 23005, 23008 and 23009 (License Nos. 100-0961, 100-0962, 100-0963, 100-0964, 100-0965, 100-2185, 100-2474, and 100-3166).

D. On May 15, 2007, the Commissioner issued a Desist and Refrain Order (the “Order”) to GVG for violations of California Financial Code sections 23023, 23024, 23035, and 23036 of the CDDTL, a copy of which is attached and incorporated herein as Exhibit “1.” GVG was served with the Order on May 16, 2007.

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

F. GVG states that it has taken corrective action to avoid any future violations. GVG's goal is to remain in good standing with the Department and to be a good operator in full compliance with the law.

NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the parties agree as follows:

TERMS AND CONDITIONS

1
2 1. Purpose. The purpose of this Agreement is to settle and resolve the matters between
3 the parties hereto, for judicial economy and expediency, and to avoid the expense of a hearing, and
4 possible further court proceedings.

5 2. Waiver of Hearing Rights. GVG and Vizcarra acknowledge the right of GVG to a
6 hearing under the CDDTL in connection with the Order and hereby waive that right to a hearing, and
7 to any reconsideration, appeal, or other right to review which may be afforded pursuant to the
8 CDDTL, the California Administrative Procedure Act, the California Code of Civil Procedure, or
9 any other provision of law, and by waiving such rights, consent to the Order becoming final.

10 3. Admissions. GVG and Vizcarra admit the findings contained in the Order. The
11 admissions of GVG and Vizcarra are solely for the limited purposes of this proceeding and any
12 future proceeding(s) that may be initiated by or brought before the Commissioner against GVG,
13 Vizcarra, or any of the officers, directors, shareholders, or employees of GVG.

14 4. Citations. GVG hereby agrees to pay to the Commissioner citations totaling
15 THIRTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$37,500) for the citations issued to
16 it on May 15, 2007 (the "Citations"). GVG shall pay the Citations by way of two (2) equal
17 installments as follows:

18 (a) The first Citations installment shall be in the amount of \$18,750
19 ("Payment One") and shall take place on of the Effective Date of this Settlement
20 Agreement.

21 (b) The second Citations installment shall be in the amount of \$18,750 ("Payment Two")
22 and shall take place within thirty (30) days after Payment One.

23 In the event the payment due date falls on a weekend or holiday, the payment shall be due the
24 next business day. GVG shall make Payments One and Two by cashier's check, made payable to the
25 California Department of Corporations.

26 5. Voiding Deferred Deposit Transactions. GVG hereby agrees to void the following
27 fifteen (15) consumer deferred deposit transactions totaling THREE THOUSAND NINE
28 HUNDRED TWENTY DOLLARS (\$3,920) entered by and between GVG and/or its agent and
employee, Cain Rodriguez-Silva, and the borrowers, as follows:

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- (a) On or about March 13, 2006 in the amount of \$224.00, representing \$200.00 in principal and \$24.00 in fees.
- (b) On or about March 13, 2006 in the amount of \$224.00, representing \$200.00 in principal and \$24.00 in fees.
- (c) On or about March 25, 2006 in the amount of \$224.00, representing \$200.00 in principal and \$24.00 in fees.
- (d) On or about March 25, 2006 in the amount of \$224.00, representing \$200.00 in principal and \$24.00 in fees.
- (e) On or about April 15, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (f) On or about April 25, 2006 in the amount of \$224.00, representing \$200.00 in principal and \$24.00 in fees.
- (g) On or about April 28, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (h) On or about May 13, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (i) On or about May 13, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (j) On or about May 27, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (k) On or about May 27, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (l) On or about June 10, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (m) On or about June 10, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (n) On or about June 24, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.
- (o) On or about June 24, 2006 in the amount of \$280.00, representing \$250.00 in principal and \$30.00 in fees.

In so voiding the aforementioned fifteen (15) consumer deferred deposit transactions, GVG

1 hereby agrees that no person shall have any right to collect or receive any amount provided in the
2 deferred deposit transactions, any charges, or fees in connection with the transactions. GVG further
3 agrees to pay a cash refund to the borrowers in the amount of \$3,920 (the "Refund Payment") and
4 said Refund Payment shall take place within thirty (30) days of the Effective Date of this Settlement
5 Agreement.

6 In the event the Refund Payment due date falls on a weekend or holiday, the payment shall
7 be due the next business day. GVG shall send the Refund Payment check by first class mail to the
8 borrowers' last known address. GVG shall immediately re-send the Refund Payment check returned
9 by the United States Post Office to the forwarding or corrected address.

10 If undeliverable, then the Refund Payment should escheat to the State of California within
11 the time period provided by Law. The term undeliverable as used herein means returned to GVG by
12 the United States Post Office for any reason.

13 6. Reports. GVG shall submit to the Commissioner a detailed report of the refund made
14 to the borrowers within two weeks of completion of payment. GVG shall also submit to the
15 Commissioner ninety (90) days after issuing the Refund Payment a report stating whether the refund
16 to the borrowers has been returned to GVG as undeliverable.

17 7. Costs. All costs associated with making the Refund Payment shall be borne by GVG.

18 8. Future Actions by the Commissioner. The Commissioner reserves the right to bring
19 future action(s) against GVG, Vizcarra, or any of the officers, directors, shareholders, or employees
20 of GVG for any and all unknown or future violations of the CDDTL.

21 This Agreement shall not serve to exculpate GVG, Vizcarra, or any of the officers, directors,
22 shareholders, or employees of GVG from liability for any and all unknown or future violations of the
23 CDDTL.

24 9. Failure to Timely Remit Citations and Refund Payment. GVG and Vizcarra
25 acknowledge that failure to timely pay any payment installment under this Agreement or make the
26 refund pursuant to this Agreement shall be a breach of this Agreement and shall be cause for the
27 Commissioner to immediately revoke any licenses held by, and/or deny any pending application(s)
28 of GVG, its successors and assigns, by whatever names they might be known, and/or any company

1 owned or controlled by Vizcarra. GVG and Vizcarra hereby waive any notice and hearing rights to
2 contest such revocations and/or denial(s) which may be afforded under the CDDTL, the California
3 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
4 in connection therewith.

5 10. Effective Date. This Agreement shall not become effective until signed, and
6 delivered by all parties.

7 11. Settlement Agreement Coverage. Except as otherwise provided, the parties hereby
8 acknowledge and agree that this Agreement is intended to constitute a full, final and complete
9 resolution of this matter. The parties further acknowledge and agree that nothing contained in this
10 Agreement shall operate to limit the Commissioner's ability to assist any other agency, (county, state
11 or federal) with any prosecution, administrative, civil or criminal, brought by any such agency
12 against GVG based upon any of the activities alleged in this matter or otherwise.

13 12. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that
14 they have been advised to seek independent legal advice from an attorney with respect to the
15 advisability of executing this Agreement.

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

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1 14. Modifications and Qualified Integration. No amendment, change or modification of
2 this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of the
3 parties affected by it.

4 15. Full Integration. This Agreement, including the attached Order, is the final written
5 expression and the complete and exclusive statement of all the agreements, conditions, promises,
6 representations, and covenants between the parties with respect to the subject matter hereof, and
7 supercedes all prior or contemporaneous agreements, negotiations, representations, understandings,
8 and discussions between and among the parties, their respective representatives, and any other
9 person or entity, with respect to the subject matter covered hereby.

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

17 17. Counterparts. This Agreement may be executed in any number of counter-parts by
18 the Parties, and when each Party has signed and delivered at least one such counterpart to the other
19 Party, each counterpart shall be deemed an original and taken together shall constitute one and the
20 same Agreement.

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

25 19. Authority For Settlement. Each Party warrants and represents that such Party is fully
26 entitled and duly authorized to enter into and deliver this Agreement. In particular, and without
27 limiting the generality of the foregoing, each Party warrants and represents that it is fully entitled to
28 enter into the covenants, and undertake the obligations set forth herein.

1 20. Public Record. GVG and Vizcarra hereby acknowledge that this Agreement will be a
2 matter of public record.

3 21. Voluntary Agreement. The Parties each represent and acknowledge that he, she or it
4 is executing this Agreement completely voluntarily and without any duress or undue influence of
5 any kind from any source.

6 22. Notices. Notice shall be provided to each party at the following addresses:

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8 If to GVG to: 3770 W. McFadden Avenue
9 Suite B
10 Santa Ana, California 92704
11 Attn: Robert Vizcarra

12 If to the Commissioner to: Blaine A. Noblett
13 Corporations Counsel
14 Enforcement Division
15 Department of Corporations
16 320 W. 4th Street, Suite 750
17 Los Angeles, CA 90013-2344

18 IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on
19 the dates set forth opposite their respective signatures.

20 Dated: 7/2/07

21 PRESETON DuFAUCHARD
22 California Corporations Commissioner

23 By _____
24 ALAN S. WEINGER
25 Lead Corporations Counsel
26 Enforcement Division

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Dated: 6-28-07

GVG FINANCIAL SERVICES, INC., dba
CASH N MORE

By _____
ROBERT VIZCARRA
President

State of California - Department of Corporations

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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: GVG FINANCIAL SERVICES, INC.
(DBA Cash N More)
3770 W. McFadden Avenue, Ste. B
Santa Ana, California 92704

1649 W. Orangethorpe Avenue
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Santa Ana, California 92703

1721 W. Katella Avenue, Ste. P
Anaheim, California 92804

12845 Chapman Avenue
Garden Grove, California 92840

119 W. Orangethorpe Avenue
Fullerton, California 92833

1315 N. Tustin Avenue, Ste. C
Orange, California 92867

**CITATIONS, DESIST & REFRAIN ORDER, AND
ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS**

(For violations of California Financial Code sections 23023, 23024, 23035, and 23036)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe

1 Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs,
2 California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue,
3 Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840;
4 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C,
5 Orange, California 92867.

6 2. Cain Rodriguez-Silva (aka "Cain Rodriguez"), a “branch manager,” is, and was at
7 all times relevant herein, an employee of GVG at 12845 Chapman Avenue, Garden Grove,
8 California 92840 (the "Garden Grove location").

9 3. GVG has engaged in the business of deferred deposit transactions by
10 originating deferred deposit transactions as described below.

11 4. On or about December 31, 2004, GVG obtained a license from the Commissioner
12 to engage in the business of deferred deposit transactions at 12845 Chapman Avenue, Garden
13 Grove, California 92840.

14 5. A deferred deposit transaction is a written transaction whereby one person gives
15 funds to another person upon receipt of a personal check and it is agreed that the personal check
16 shall not be deposited until a later date.

17 6. Pursuant to California Financial Code¹ section 23035, subdivisions (a) and (e),
18 “[e]ach deferred deposit transaction shall be made pursuant to a written agreement as described
19 in subdivision (e) that has been signed by the customer and by the licensee or an authorized
20 representative of the licensee.” Subdivision (e) of section 23035 provides in pertinent part that:

21 (e) An agreement to enter into a deferred deposit transaction shall be in writing and shall
22 be provided by the licensee to the customer. The written agreement shall authorize the
23 licensee to defer deposit of the personal check, shall be signed by the customer, and shall
24 include [the disclosures and meet the specific requirements as set forth in subparts (1)-
(13) of subdivision (e)].

(See Fin. Code, § 23035, subd. (e)(1)-(13).)

25 7. An examination of GVG's Garden Grove location conducted by the Commissioner
26 in August 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and
27

28 ¹ All further statutory references are to the California Financial Code unless otherwise indicated.

1 July 11, 2006, GVG originated deferred deposit transactions without any written agreements in
2 violation of section 23035, subdivisions (a) and (e).

3 8. Pursuant to section 23035, subdivision (c), “[b]efore entering into a deferred
4 deposit transaction, licensees shall distribute to customers a notice [providing information about
5 charges for deferred deposit transactions, including the disclosure of other specific transactional
6 information, as set forth in subparts (1)-(6) of subdivision (c)].” (See Fin. Code, § 23035, subd.
7 (c)(1)-(6).)

8 9. The examination at GVG’s Garden Grove location conducted by the
9 Commissioner in August 2006 revealed that in fifteen (15) instances, between the period March
10 13, 2006 and July 11, 2006, GVG originated deferred deposit transactions without providing the
11 required written notice to its customers concerning those transactions in violation of section
12 23035, subdivision (c).

13 10. Pursuant to section 23036, subdivision (c), “[a] licensee shall not enter into an
14 agreement for a deferred deposit transaction with a customer during the period of time that an
15 earlier written agreement for a deferred deposit transaction for the same customer is in effect.”

16 11. The Commissioner’s examination at GVG’s Garden Grove location in August
17 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and July 11,
18 2006, GVG entered into agreements for deferred deposit transactions with the same customers
19 during the period of time that an earlier written agreement for a deferred deposit transaction was
20 in effect in violation of section 23036, subdivision (c).

21 12. Pursuant to section 23023, “[n]o licensee shall transact the business licensed or
22 make any transaction provided for by this division under any other name . . . than that named in
23 the license except pursuant to a currently effective written order of the commissioner authorizing
24 the other name . . .”

25 13. The examination at GVG’s Garden Grove location conducted by the
26 Commissioner in August 2006 disclosed that in six (6) instances, between the period March 13,
27 2006 and July 11, 2006, GVG originated deferred deposit transactions with customers under the
28 name of its employee and branch manager, “Cain Rodriguez,” in violation of section 23023.

1 Specifically, the six (6) deferred deposit transaction checks were made payable to Cain
2 Rodriguez and deposited into Mr. Rodriguez’ personal bank account. GVG has not received a
3 written order from the Commissioner authorizing the use of any other name other than that
4 named in its license. Furthermore, in another twenty-seven (27) instances, the licensee listed “L.
5 Gutierrez or GVG #106” as the payee on the deferred deposit checks in violation of section
6 23023.

7 14. Pursuant to section 23024, each licensee shall keep and use books, accounts, and
8 records to enable the commissioner to determine if the licensee is complying with the California
9 Deferred Deposit Transaction Law. Furthermore, all records are to be kept for two years
10 following the last entry on a deferred deposit transaction in order to enable an examiner to review
11 the recordkeeping and reconcile each consumer deferred deposit transaction.

12 15. Finally, the examination conducted by the Commissioner in August 2006
13 disclosed that GVG had failed to maintain books, accounts, and records, during the period March
14 13, 2006 to July 11, 2006, concerning cash transactions that would enable the examiner to
15 reconcile each consumer deferred deposit transaction with documentation maintained in the
16 consumer’s deferred deposit transaction file records in violation of section 23024.

17 16. By reason of the foregoing, GVG has violated the provisions of sections 23023,
18 23024, 23035, and 23036 of the California Deferred Deposit Transaction Law and is thus subject
19 to the following Citations, as set forth more fully in paragraphs 17 through 31 below.

20 17. **Citation A.** On or about March 13, 2006 GVG originated a consumer deferred
21 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
22 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
23 Deposit Transaction Law:

- 24 (a) GVG entered into the subject transaction without a written agreement in violation
25 of section 23035, subdivisions (a) & (e);
- 26 (b) GVG entered into the subject transaction without providing the customer the
27 appropriate notice in violation of section 23035, subdivision (c);
- 28 (c) GVG entered into the subject transaction during the period of time that an earlier

1 written agreement for a deferred deposit transaction for the same customer was in
2 effect in violation of section 23036, subdivision (c);

3 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
4 Rodriguez,” in violation of section 23023 by failing to make the check payable in
5 the name of the licensee; the subject check was deposited into the personal bank
6 account of Cain Rodriguez; GVG has not received a written order from the
7 Commissioner authorizing the use of any other name;

8 (e) In or about March 12, 2006 through March 25, 2006, GVG failed to keep and use
9 books, accounts, and records to enable the examiner to reconcile a specific
10 consumer deferred deposit transaction with the documentation maintained in the
11 consumer’s deferred deposit transaction file in violation of section 23024.
12 Specifically, the consumer paid off the loan transaction in cash, however, the
13 licensee failed to produce books, accounts, and records demonstrating this fact.

14 18. **Citation B.** On or about March 13, 2006 GVG originated a second, separate and
15 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
16 the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of
17 the California Deferred Deposit Transaction Law:

18 (a) GVG entered into the subject transaction without a written agreement in violation
19 of section 23035, subdivisions (a) & (e);

20 (b) GVG entered into the subject transaction without providing the customer the
21 appropriate notice in violation of section 23035, subdivision (c);

22 (c) GVG entered into the subject transaction with a customer during the period of
23 time that an earlier written agreement for a deferred deposit transaction for the
24 same customer was in effect in violation of section 23036, subdivision (c);

25 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
26 Rodriguez,” in violation of section 23023 by failing to make the check payable in
27 the name of the licensee; the subject check was deposited into the personal bank
28 account of Cain Rodriguez; GVG has not received a written order from the

1 Commissioner authorizing the use of any other name;

- 2 (e) In or about March 8, 2006 through March 23, 2006, GVG failed to keep and use
3 books, accounts, and records to enable the examiner to reconcile a specific
4 consumer deferred deposit transaction with the documentation maintained in the
5 consumer’s deferred deposit transaction file in violation of section 23024.
6 Specifically, the consumer paid off the loan transaction in cash, however, the
7 licensee failed to produce books, accounts, and records demonstrating this fact.

8 19. **Citation C.** On or about March 25, 2006, GVG originated a consumer deferred
9 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
10 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
11 Deposit Transaction Law:

- 12 (a) GVG entered into the subject transaction without a written agreement in violation
13 of section 23035, subdivisions (a) & (e);
- 14 (b) GVG entered into the subject transaction without providing the customer the
15 appropriate notice in violation of section 23035, subdivision (c);
- 16 (c) GVG entered into the subject transaction with a
17 customer during the period of time that an earlier written agreement for a deferred
18 deposit transaction for the same customer was in effect in violation of section
19 23036, subdivision (c);
- 20 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
21 in violation of 23023; GVG has not received a written order from the
22 Commissioner authorizing the use of any other name;
- 23 (e) In or about March 25, 2006 through April 10, 2006, GVG failed to keep and use
24 books, accounts, and records to enable the examiner to reconcile a specific
25 consumer deferred deposit transaction with the documentation maintained in the
26 consumer’s deferred deposit transaction file in violation of section 23024.
27 Specifically, the consumer paid off the loan transaction in cash, however, the
28 licensee failed to produce books, accounts, and records demonstrating this fact.

1 20. **Citation D.** On or about March 25, 2006 GVG originated a second, separate and
2 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
3 the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of
4 the California Deferred Deposit Transaction Law:

5 (a) GVG entered into the subject transaction without a written agreement in violation
6 of section 23035, subdivisions (a) & (e);

7 (b) GVG entered into the subject transaction without providing the customer the
8 appropriate notice in violation of section 23035, subdivision (c);

9 (c) GVG entered into the subject transaction with a
10 customer during the period of time that an earlier written agreement for a deferred
11 deposit transaction for the same customer was in effect in violation of section
12 23036, subdivision (c);

13 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
14 in violation of 23023; GVG has not received a written order from the
15 Commissioner authorizing the use of any other name;

16 (e) In or about March 23, 2006 through April 8, 2006, GVG failed to keep and use
17 books, accounts, and records to enable the examiner to reconcile a specific
18 consumer deferred deposit transaction with the documentation maintained in the
19 consumer’s deferred deposit transaction file in violation of section 23024.
20 Specifically, the consumer paid off the loan transaction in cash, however, the
21 licensee failed to produce books, accounts, and records demonstrating this fact.

22 21. **Citation E.** On or about April 15, 2006, GVG originated a consumer deferred
23 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
24 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
25 Transaction Law:

26 (a) GVG entered into the subject transaction without a written agreement in violation
27 of section 23035, subdivisions (a) & (e);

28 (b) GVG entered into the subject transaction without providing the customer the

- 1 appropriate notice in violation of section 23035, subdivision (c);
- 2 (c) GVG entered into the subject transaction with a
- 3 customer during the period of time that an earlier written agreement for a deferred
- 4 deposit transaction for the same customer was in effect in violation of section
- 5 23036, subdivision (c);
- 6 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 7 in violation of 23023; GVG has not received a written order from the
- 8 Commissioner authorizing the use of any other name;
- 9 (e) In or about April 14, 2006 through April 24, 2006, GVG failed to keep and use
- 10 books, accounts, and records to enable the examiner to reconcile a specific
- 11 consumer deferred deposit transaction with the documentation maintained in the
- 12 consumer’s deferred deposit transaction file in violation of section 23024.
- 13 Specifically, the consumer paid off the loan transaction in cash, however, the
- 14 licensee failed to produce books, accounts, and records demonstrating this fact.

15 22. **Citation F.** On or about April 25, 2006, GVG originated a consumer deferred
16 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
17 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
18 Deposit Transaction Law:

- 19 (a) GVG entered into the subject transaction without a written agreement in violation
- 20 of section 23035, subdivisions (a) & (e);
- 21 (b) GVG entered into the subject transaction without providing the customer the
- 22 appropriate notice in violation of section 23035, subdivision (c);
- 23 (c) GVG entered the subject transaction with a
- 24 customer during the period of time that an earlier written agreement for a deferred
- 25 deposit transaction for the same customer was in effect in violation of section
- 26 23036, subdivision (c);
- 27 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 28 in violation of 23023; GVG has not received a written order from the

1 Commissioner authorizing the use of any other name;

- 2 (e) In or about April 25, 2006 through May 8, 2006, GVG failed to keep and use
3 books, accounts, and records to enable the examiner to reconcile a specific
4 consumer deferred deposit transaction with the documentation maintained in the
5 consumer’s deferred deposit transaction file in violation of section 23024.
6 Specifically, the consumer paid off the loan transaction in cash, however, the
7 licensee failed to produce books, accounts, and records demonstrating this fact.

8 23. **Citation G.** On or about April 28, 2006, GVG originated a consumer deferred
9 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
10 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
11 Transaction Law:

- 12 (a) GVG entered into the subject transaction without a written agreement in violation
13 of section 23035, subdivisions (a) & (e);
- 14 (b) GVG entered into the subject transaction without providing the customer the
15 appropriate notice in violation of section 23035, subdivision (c);
- 16 (c) GVG entered into the subject transaction with a
17 customer during the period of time that an earlier written agreement for a deferred
18 deposit transaction for the same customer was in effect in violation of section
19 23036, subdivision (c);
- 20 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
21 in violation of 23023; GVG has not received a written order from the
22 Commissioner authorizing the use of any other name;
- 23 (e) In or about April 10, 2006 through May 8, 2006, GVG failed to keep and use
24 books, accounts, and records to enable the examiner to reconcile a specific
25 consumer deferred deposit transaction with the documentation maintained in the
26 consumer’s deferred deposit transaction file in violation of section 23024.
27 Specifically, the consumer paid off the loan transaction in cash, however, the
28 licensee failed to produce books, accounts, and records demonstrating this fact.

1 24. **Citation H.** On or about May 13, 2006, GVG originated a consumer deferred
2 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
3 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
4 Transaction Law:

- 5 (a) GVG entered into the subject transaction without a written agreement in violation
6 of section 23035, subdivisions (a) & (e);
- 7 (b) GVG entered into the subject transaction without providing the customer the
8 appropriate notice in violation of section 23035, subdivision (c);
- 9 (c) GVG entered into the subject transaction with a
10 customer during the period of time that an earlier written agreement for a deferred
11 deposit transaction for the same customer was in effect in violation of section
12 23036, subdivision (c);
- 13 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
14 in violation of 23023; GVG has not received a written order from the
15 Commissioner authorizing the use of any other name;
- 16 (e) In or about May 9, 2006 through May 23, 2006, GVG failed to keep and use
17 books, accounts, and records to enable the examiner to reconcile a specific
18 consumer deferred deposit transaction with the documentation maintained in the
19 consumer’s deferred deposit transaction file in violation of section 23024.
20 Specifically, the consumer paid off the loan transaction in cash, however, the
21 licensee failed to produce books, accounts, and records demonstrating this fact.

22 25. **Citation I.** On or about May 13, 2006, GVG originated a second, separate and
23 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
24 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
25 California Deferred Deposit Transaction Law:

- 26 (a) GVG entered into the subject transaction without a written agreement in violation
27 of section 23035, subdivisions (a) & (e);
- 28 (b) GVG entered into the subject transaction without providing the customer the

1 appropriate notice in violation of section 23035, subdivision (c);

2 (c) GVG entered into the subject transaction with a
3 customer during the period of time that an earlier written agreement for a deferred
4 deposit transaction for the same customer was in effect in violation of section
5 23036, subdivision (c);

6 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
7 in violation of 23023; GVG has not received a written order from the
8 Commissioner authorizing the use of any other name;

9 (e) In or about May 8, 2006 through May 23, 2006, GVG failed to keep and use
10 books, accounts, and records to enable the examiner to reconcile a specific
11 consumer deferred deposit transaction with the documentation maintained in the
12 consumer’s deferred deposit transaction file in violation of section 23024.

13 Specifically, the consumer paid off the loan transaction in cash, however, the
14 licensee failed to produce books, accounts, and records demonstrating this fact.

15 26. **Citation J.** On or about May 27, 2006, GVG originated a consumer deferred
16 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
17 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
18 Transaction Law:

19 (a) GVG entered into the subject transaction without a written agreement in violation
20 of section 23035, subdivisions (a) & (e);

21 (b) GVG entered into the subject transaction without providing the customer the
22 appropriate notice in violation of section 23035, subdivision (c);

23 (c) GVG entered into the subject transaction with a
24 customer during the period of time that an earlier written agreement for a deferred
25 deposit transaction for the same customer was in effect in violation of section
26 23036, subdivision (c);

27 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
28 Rodriguez,” in violation of section 23023 by failing to make the check payable in

1 the name of the licensee; the subject check was deposited into the personal bank
2 account of Cain Rodriguez; GVG has not received a written order from the
3 Commissioner authorizing the use of any other name;

- 4 (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use
5 books, accounts, and records to enable the examiner to reconcile a specific
6 consumer deferred deposit transaction with the documentation maintained in the
7 consumer's deferred deposit transaction file in violation of section 23024.
8 Specifically, the consumer paid off the loan transaction in cash, however, the
9 licensee failed to produce books, accounts, and records demonstrating this fact.

10 27. **Citation K.** On or about May 27, 2006, GVG originated a second, separate and
11 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
12 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
13 California Deferred Deposit Transaction Law:

- 14 (a) GVG entered into the subject transaction without a written agreement in violation
15 of section 23035, subdivisions (a) & (e);
- 16 (b) GVG entered into the subject transaction without providing the customer the
17 appropriate notice in violation of section 23035, subdivision (c);
- 18 (c) GVG entered into the subject transaction with a
19 customer during the period of time that an earlier written agreement for a deferred
20 deposit transaction for the same customer was in effect in violation of section
21 23036, subdivision (c);
- 22 (d) GVG originated the subject transaction in the name of its branch manager, "Cain
23 Rodriguez," in violation of section 23023 by failing to make the check payable in
24 the name of the licensee; the subject check was deposited into the personal bank
25 account of Cain Rodriguez; GVG has not received a written order from the
26 Commissioner authorizing the use of any other name;
- 27 (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use
28 books, accounts, and records to enable the examiner to reconcile a specific

1 consumer deferred deposit transaction with the documentation maintained in the
2 consumer's deferred deposit transaction file in violation of section 23024.

3 Specifically, the consumer paid off the loan transaction in cash, however, the
4 licensee failed to produce books, accounts, and records demonstrating this fact.

5 28. **Citation L.** On or about June 10, 2006, GVG originated a consumer deferred
6 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
7 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
8 Transaction Law:

9 (a) GVG entered into the subject transaction without a written agreement in violation
10 of section 23035, subdivisions (a) & (e);

11 (b) GVG entered into the subject transaction without providing the customer the
12 appropriate notice in violation of section 23035, subdivision (c);

13 (c) GVG entered into the subject transaction with a
14 customer during the period of time that an earlier written agreement for a deferred
15 deposit transaction for the same customer was in effect in violation of section
16 23036, subdivision (c);

17 (d) GVG originated the subject transaction in the name of its branch manager, "Cain
18 Rodriguez," in violation of section 23023 by failing to make the check payable in
19 the name of the licensee; the subject check was deposited into the personal bank
20 account of Cain Rodriguez; GVG has not received a written order from the
21 Commissioner authorizing the use of any other name;

22 (e) In or about June 10, 2006 through June 23, 2006, GVG failed to keep and use
23 books, accounts, and records to enable the examiner to reconcile a specific
24 consumer deferred deposit transaction with the documentation maintained in the
25 consumer's deferred deposit transaction file in violation of section 23024.
26 Specifically, the consumer paid off the loan transaction in cash, however, the
27 licensee failed to produce books, accounts, and records demonstrating this fact.

28 29. **Citation M.** On or about June 10, 2006, GVG originated a second, separate and

1 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
2 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
3 California Deferred Deposit Transaction Law:

- 4 (a) GVG entered into the subject transaction without a written agreement in violation
5 of section 23035, subdivisions (a) & (e);
- 6 (b) GVG entered into the subject transaction without providing the customer the
7 appropriate notice in violation of section 23035, subdivision (c);
- 8 (c) GVG entered into the subject transaction with a
9 customer during the period of time that an earlier written agreement for a deferred
10 deposit transaction for the same customer was in effect in violation of section
11 23036, subdivision (c);
- 12 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
13 Rodriguez,” in violation of section 23023 by failing to make the check payable in
14 the name of the licensee; the subject check was deposited into the personal bank
15 account of Cain Rodriguez; GVG has not received a written order from the
16 Commissioner authorizing the use of any other name;
- 17 (e) In or about June 8, 2006 through June 23, 2006, GVG failed to keep and use
18 books, accounts, and records to enable the examiner to reconcile a specific
19 consumer deferred deposit transaction with the documentation maintained in the
20 consumer’s deferred deposit transaction file in violation of section 23024.
21 Specifically, the consumer paid off the loan transaction in cash, however, the
22 licensee failed to produce books, accounts, and records demonstrating this fact.

23 30. **Citation N.** On or about June 24, 2006, GVG originated a consumer deferred
24 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
25 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
26 Transaction Law:

- 27 (a) GVG entered the subject transaction without a written agreement in violation of
28 section 23035, subdivisions (a) & (e);

- 1 (b) GVG entered into the subject transaction without providing the customer the
2 appropriate notice in violation of section 23035, subdivision (c);
- 3 (c) GVG entered into the subject transaction with a
4 customer during the period of time that an earlier written agreement for a deferred
5 deposit transaction for the same customer was in effect in violation of section
6 23036, subdivision (c);
- 7 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
8 in violation of 23023; GVG has not received a written order from the
9 Commissioner authorizing the use of any other name;
- 10 (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use
11 books, accounts, and records to enable the examiner to reconcile a specific
12 consumer deferred deposit transaction with the documentation maintained in the
13 consumer’s deferred deposit transaction file in violation of section 23024.
14 Specifically, the consumer paid off the loan transaction in cash, however, the
15 licensee failed to produce books, accounts, and records demonstrating this fact.
- 16 31. **Citation O.** On or about June 24, 2006, GVG originated a second, separate and
17 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
18 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
19 California Deferred Deposit Transaction Law:
- 20 (a) GVG entered into the subject transaction without a written agreement in violation
21 of section 23035, subdivisions (a) & (e);
- 22 (b) GVG entered into the subject transaction without providing the customer the
23 appropriate notice in violation of section 23035, subdivision (c);
- 24 (c) GVG entered into the subject transaction with a
25 customer during the period of time that an earlier written agreement for a deferred
26 deposit transaction for the same customer was in effect in violation of section
27 23036, subdivision (c);
- 28 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check

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in violation of 23023; GVG has not received a written order from the
Commissioner authorizing the use of any other name;

- (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

CITATIONS

Pursuant to California Financial Code section 23058, GVG is hereby ordered to pay to the Commissioner an administrative penalty in the total amount of thirty-seven thousand five hundred dollars (\$37,500) for the following Citations within 30 days from the date of these Citations.

- Citation A. - two thousand five hundred dollars (\$2,500)
- Citation B. - two thousand five hundred dollars (\$2,500)
- Citation C. - two thousand five hundred dollars (\$2,500)
- Citation D. - two thousand five hundred dollars (\$2,500)
- Citation E. - two thousand five hundred dollars (\$2,500)
- Citation F. - two thousand five hundred dollars (\$2,500)
- Citation G. - two thousand five hundred dollars (\$2,500)
- Citation H. - two thousand five hundred dollars (\$2,500)
- Citation I. - two thousand five hundred dollars (\$2,500)
- Citation J. - two thousand five hundred dollars (\$2,500)
- Citation K. - two thousand five hundred dollars (\$2,500)
- Citation L. - two thousand five hundred dollars (\$2,500)
- Citation M. - two thousand five hundred dollars (\$2,500)
- Citation N. - two thousand five hundred dollars (\$2,500)
- Citation O. - two thousand five hundred dollars (\$2,500)

1 These Citations shall remain in full force and effect until further order of the
2 Commissioner.

3 **DESIST AND REFRAIN ORDER**

4 Pursuant to California Financial Code section 23050, GVG is hereby ordered to desist
5 and refrain from violating sections 23023, 23024, 23035, and 23036 of the California Deferred
6 Deposit Transaction Law codified beginning at section 23000 *et seq.* This Order is necessary, in
7 the public interest, for the protection of consumers and is consistent with the purposes, policies
8 and provisions of the California Deferred Deposit Transaction Law. This order shall remain in
9 full force and effect until further order of the Commissioner.

10 **ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS**

11 GVG willfully violated sections 23023, 23024, 23035, and 23036 of the California
12 Deferred Deposit Transaction Law by entering into fifteen (15) consumer deferred deposit
13 transactions, while existing loans were outstanding, without providing the customers written
14 agreements and proper consumer notice, as described in more detail above.

15 Pursuant to California Financial Code section 23060, subdivision (b), all fifteen (15) of
16 the aforementioned consumer deferred deposit transactions, totaling three thousand nine hundred
17 twenty dollars (\$3,920), shall be declared void, and no person shall have any right to collect or
18 receive any amount provided in the deferred deposit transactions, any charges, or fees in
19 connection with those transactions.

20 **CODE SECTIONS**

21 California Financial Code section 23058 provides, in relevant part:

22 (a) If, upon, inspection, examination, or investigation, based upon a complaint or
23 otherwise, the department has cause to believe that . . . a licensee or person is
24 violating any provision of this division or any rule or order thereunder, the
25 department may issue a citation to that person in writing, describing with
26 particularity the basis of the citation. Each citation may contain an order to desist
27 and refrain and an assessment of an administrative penalty not to exceed two
28 thousand five hundred dollars (\$2,500) . . .

(c) If within 30 days from the receipt of the citation of the person cited fails to
notify the department that the person intends to request a hearing as described in
subdivision (d), the citation shall be deemed final.

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(d) Any hearing held under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code . . .

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division. If, within 30 days, after the order is served, a written request for a hearing is filed and no hearing is held within 30 days thereafter, the order is rescinded.

California Financial Code section 23060 provides, in relevant part:

(b) If any provision of this division is willfully violated in the making or collection of a deferred deposit transaction, the deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

Dated: May 15, 2007
Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division

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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: CAIN RODRIGUEZ-SILVA
12822 Gloria Place
Garden Grove, California 92843-2134

DESIST AND REFRAIN ORDER
(For violations of California Financial Code section 23005)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs, California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue, Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840; 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C, Orange, California 92867.

2. Robert Vizcarra (“Vizcarra”) is, and was at all relevant times herein, the president of GVG.

3. Cain Rodriguez-Silva¹ (“Rodriguez-Silva”) is, and was at all times relevant herein, the branch manager at GVG’s location situated at 12845 Chapman Avenue, Garden Grove, California 92840 (the "Garden Grove location").

4. Rodriguez-Silva has engaged in the business of deferred deposit transactions by originating deferred deposit transactions as described below.

¹ Aka Cain Rodriguez.

1 5. An examination of GVG’s Garden Grove location conducted by the
2 Commissioner in August 2006 disclosed that Rodriguez-Silva had originated at least six (6)
3 deferred deposit transactions. The examination further disclosed that Rodriguez-Silva had been
4 engaged in originating deferred deposit transactions since at least March 13, 2006 through at
5 least June 23, 2006.

6 6. A deferred deposit transaction is a written transaction whereby one person gives
7 funds to another person upon receipt of a personal check and it is agreed that the personal check
8 shall not be deposited until a later date.

9 7. On at least six (6) occasions, Rodriguez-Silva originated deferred deposit
10 transactions with customers at GVG’s Garden Grove location while employed as a branch
11 manager. He accepted deferred deposit checks from borrowers for repayment with the checks
12 made payable to him and deposited said checks into his own personal bank account. Following
13 an interview with a Department of Corporations examiner, Rodriguez-Silva provided a written
14 statement on or about August 31, 2006, in which he admitted that he had engaged in deferred
15 deposit transactions with GVG's customers.

16 8. Rodriguez-Silva has not been issued a license by the Commissioner authorizing
17 him to engage in the business of deferred deposit transactions under the California
18 Deferred Deposit Transaction Law (“CDDTL”) (Fin. Code, §§ 23000 et seq.)².

19 9. Rodriguez-Silva is not exempt from the licensing requirements of Financial Code
20 section 23005.

21 10. Rodriguez-Silva was specifically aware that a CDDTL license was required in
22 order to engage in the business of deferred deposit transactions as his employer GVG had
23 obtained a CDDTL license from the Commissioner concerning its Garden Grove location on
24 December 31, 2004. A CDDTL license was never issued to Rodriguez-Silva.

25 By reason of the foregoing, Rodriguez-Silva has engaged in the business of deferred
26 deposit transactions without having first obtained a license from the Commissioner in violation
27

28 ² GVG is licensed by the Commissioner authorizing it to engage in the business of deferred deposit transactions under the CDDTL at all eight of its locations listed above in paragraph 1.

1 of Financial Code section 23005.

2 Pursuant to California Financial Code section 23050, Rodriguez-Silva is hereby ordered
3 to desist and refrain from engaging in the business of deferred deposit transactions in the State of
4 California without first obtaining a license from the Commissioner, or otherwise being exempt.
5 This Order is necessary, in the public interest, for the protection of consumers and is consistent
6 with the purposes, policies and provisions of the California Deferred Deposit Transaction Law.
7 This order shall remain in full force and effect until further order of the Commissioner.

8 California Financial Code section 23050 provides in pertinent part:

9 Whenever, in the opinion of the commissioner, any person is engaged in the
10 business of deferred deposit transactions, as defined in this division, without
11 a license from the commissioner . . . the commissioner may order that person
12 or licensee to desist and to refrain from engaging in the business . . . If, within
30 days, after the order is served, a written request for a hearing is filed and no
hearing is held within 30 days thereafter, the order is rescinded.

13 Dated: May 15, 2007
14 Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

15 By _____
16 ALAN S. WEINGER
17 Lead Corporations Counsel
18 Enforcement Division
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DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority**PRESTON DuFAUCHARD**
California Corporations Commissioner
Sacramento, California**MEDIA RELEASE****For Immediate Release**
May 18, 2007**Contact:**
Mark Leyes (916) 322-7180**ORDER PROHIBITS PAYDAY LENDER COMPANY FROM
ENGAGING IN ABUSIVE PRACTICES****Orange County Company is ordered to stop illegal activities**

Sacramento, May 18, 2007 - California Corporations Commissioner Preston DuFauchard has determined that GVG Financial Services, Inc., dba Cash N More, has willfully violated the California Deferred Deposit Transaction Law. GVG has been ordered to desist and refrain from violating the law, ordered to pay penalties and the loans in question have been declared void. GVG is a payday lender operating eight stores in Orange and Los Angeles Counties.

The investigation by the Department found that GVG willfully violated sections 23023, 23024, 23035, and 23036 of the law by entering into fifteen (15) deferred deposit transactions with consumers, while existing loans were outstanding with those same consumers, failing to provide the customers written agreements and proper consumer notices. Specifically, GVG failed to provide its customers with information, such as, charges, fees, rates and the Department's toll free number.

As part of this action, the Commissioner ordered that the 15 illegal GVG deferred deposit transactions, totaling \$3,920, be voided. Furthermore, the Commissioner has determined that GVG shall be required to pay a penalty of \$37,500 (\$2,500 per violation) to the Department.

GVG's main office is in Santa Ana and has stores in several surrounding communities. The violations occurred at GVG's Garden Grove location. A separate order prohibiting unlicensed activity was issued to Cain Rodriguez-Silva, the manager of the Garden Grove store. The reason this was deemed unlicensed activity was because the loans were not in the name of the company, but in the name of Rodriguez.

The Department of Corporations (DOC) is California's investment and financing authority and is responsible for the regulation, enforcement, and licensing of securities, franchises, off-exchange commodities, investment and financial services, independent escrows, consumer and commercial finance lending, residential mortgage lending, payday lenders, check sellers, bill payers, and debt reduction services. Consumers should contact the department to check on the status of the companies, investments or other services they are considering and the licensing status of the person. Contact DOC's toll-free Consumer Resource Center at 1-866-ASK-CORP (1-866-275-2677) or visit www.corp.ca.gov.

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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: GVG FINANCIAL SERVICES, INC.
(DBA Cash N More)
3770 W. McFadden Avenue, Ste. B
Santa Ana, California 92704

1649 W. Orangethorpe Avenue
Fullerton, California 928232

10805 Orr & Day Road, Ste. C
Santa Fe Springs, California 90670

1219 E. 17th Street
Santa Ana, California 92703

1721 W. Katella Avenue, Ste. P
Anaheim, California 92804

12845 Chapman Avenue
Garden Grove, California 92840

119 W. Orangethorpe Avenue
Fullerton, California 92833

1315 N. Tustin Avenue, Ste. C
Orange, California 92867

**CITATIONS, DESIST & REFRAIN ORDER, AND
ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS**

(For violations of California Financial Code sections 23023, 23024, 23035, and 23036)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe

1 Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs,
2 California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue,
3 Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840;
4 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C,
5 Orange, California 92867.

6 2. Cain Rodriguez-Silva (aka "Cain Rodriguez"), a "branch manager," is, and was at
7 all times relevant herein, an employee of GVG at 12845 Chapman Avenue, Garden Grove,
8 California 92840 (the "Garden Grove location").

9 3. GVG has engaged in the business of deferred deposit transactions by
10 originating deferred deposit transactions as described below.

11 4. On or about December 31, 2004, GVG obtained a license from the Commissioner
12 to engage in the business of deferred deposit transactions at 12845 Chapman Avenue, Garden
13 Grove, California 92840.

14 5. A deferred deposit transaction is a written transaction whereby one person gives
15 funds to another person upon receipt of a personal check and it is agreed that the personal check
16 shall not be deposited until a later date.

17 6. Pursuant to California Financial Code¹ section 23035, subdivisions (a) and (e),
18 "[e]ach deferred deposit transaction shall be made pursuant to a written agreement as described
19 in subdivision (e) that has been signed by the customer and by the licensee or an authorized
20 representative of the licensee." Subdivision (e) of section 23035 provides in pertinent part that:

21 (e) An agreement to enter into a deferred deposit transaction shall be in writing and shall
22 be provided by the licensee to the customer. The written agreement shall authorize the
23 licensee to defer deposit of the personal check, shall be signed by the customer, and shall
24 include [the disclosures and meet the specific requirements as set forth in subparts (1)-
(13) of subdivision (e)].

(See Fin. Code, § 23035, subd. (e)(1)-(13).)

25 7. An examination of GVG's Garden Grove location conducted by the Commissioner
26 in August 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and
27

28 ¹ All further statutory references are to the California Financial Code unless otherwise indicated.

1 July 11, 2006, GVG originated deferred deposit transactions without any written agreements in
2 violation of section 23035, subdivisions (a) and (e).

3 8. Pursuant to section 23035, subdivision (c), “[b]efore entering into a deferred
4 deposit transaction, licensees shall distribute to customers a notice [providing information about
5 charges for deferred deposit transactions, including the disclosure of other specific transactional
6 information, as set forth in subparts (1)-(6) of subdivision (c)].” (See Fin. Code, § 23035, subd.
7 (c)(1)-(6).)

8 9. The examination at GVG’s Garden Grove location conducted by the
9 Commissioner in August 2006 revealed that in fifteen (15) instances, between the period March
10 13, 2006 and July 11, 2006, GVG originated deferred deposit transactions without providing the
11 required written notice to its customers concerning those transactions in violation of section
12 23035, subdivision (c).

13 10. Pursuant to section 23036, subdivision (c), “[a] licensee shall not enter into an
14 agreement for a deferred deposit transaction with a customer during the period of time that an
15 earlier written agreement for a deferred deposit transaction for the same customer is in effect.”

16 11. The Commissioner’s examination at GVG’s Garden Grove location in August
17 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and July 11,
18 2006, GVG entered into agreements for deferred deposit transactions with the same customers
19 during the period of time that an earlier written agreement for a deferred deposit transaction was
20 in effect in violation of section 23036, subdivision (c).

21 12. Pursuant to section 23023, “[n]o licensee shall transact the business licensed or
22 make any transaction provided for by this division under any other name . . . than that named in
23 the license except pursuant to a currently effective written order of the commissioner authorizing
24 the other name . . .”

25 13. The examination at GVG’s Garden Grove location conducted by the
26 Commissioner in August 2006 disclosed that in six (6) instances, between the period March 13,
27 2006 and July 11, 2006, GVG originated deferred deposit transactions with customers under the
28 name of its employee and branch manager, “Cain Rodriguez,” in violation of section 23023.

1 Specifically, the six (6) deferred deposit transaction checks were made payable to Cain
2 Rodriguez and deposited into Mr. Rodriguez’ personal bank account. GVG has not received a
3 written order from the Commissioner authorizing the use of any other name other than that
4 named in its license. Furthermore, in another twenty-seven (27) instances, the licensee listed “L.
5 Gutierrez or GVG #106” as the payee on the deferred deposit checks in violation of section
6 23023.

7 14. Pursuant to section 23024, each licensee shall keep and use books, accounts, and
8 records to enable the commissioner to determine if the licensee is complying with the California
9 Deferred Deposit Transaction Law. Furthermore, all records are to be kept for two years
10 following the last entry on a deferred deposit transaction in order to enable an examiner to review
11 the recordkeeping and reconcile each consumer deferred deposit transaction.

12 15. Finally, the examination conducted by the Commissioner in August 2006
13 disclosed that GVG had failed to maintain books, accounts, and records, during the period March
14 13, 2006 to July 11, 2006, concerning cash transactions that would enable the examiner to
15 reconcile each consumer deferred deposit transaction with documentation maintained in the
16 consumer’s deferred deposit transaction file records in violation of section 23024.

17 16. By reason of the foregoing, GVG has violated the provisions of sections 23023,
18 23024, 23035, and 23036 of the California Deferred Deposit Transaction Law and is thus subject
19 to the following Citations, as set forth more fully in paragraphs 17 through 31 below.

20 17. **Citation A.** On or about March 13, 2006 GVG originated a consumer deferred
21 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
22 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
23 Deposit Transaction Law:

- 24 (a) GVG entered into the subject transaction without a written agreement in violation
25 of section 23035, subdivisions (a) & (e);
- 26 (b) GVG entered into the subject transaction without providing the customer the
27 appropriate notice in violation of section 23035, subdivision (c);
- 28 (c) GVG entered into the subject transaction during the period of time that an earlier

1 written agreement for a deferred deposit transaction for the same customer was in
2 effect in violation of section 23036, subdivision (c);

3 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
4 Rodriguez,” in violation of section 23023 by failing to make the check payable in
5 the name of the licensee; the subject check was deposited into the personal bank
6 account of Cain Rodriguez; GVG has not received a written order from the
7 Commissioner authorizing the use of any other name;

8 (e) In or about March 12, 2006 through March 25, 2006, GVG failed to keep and use
9 books, accounts, and records to enable the examiner to reconcile a specific
10 consumer deferred deposit transaction with the documentation maintained in the
11 consumer’s deferred deposit transaction file in violation of section 23024.
12 Specifically, the consumer paid off the loan transaction in cash, however, the
13 licensee failed to produce books, accounts, and records demonstrating this fact.

14 18. **Citation B.** On or about March 13, 2006 GVG originated a second, separate and
15 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
16 the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of
17 the California Deferred Deposit Transaction Law:

18 (a) GVG entered into the subject transaction without a written agreement in violation
19 of section 23035, subdivisions (a) & (e);

20 (b) GVG entered into the subject transaction without providing the customer the
21 appropriate notice in violation of section 23035, subdivision (c);

22 (c) GVG entered into the subject transaction with a customer during the period of
23 time that an earlier written agreement for a deferred deposit transaction for the
24 same customer was in effect in violation of section 23036, subdivision (c);

25 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
26 Rodriguez,” in violation of section 23023 by failing to make the check payable in
27 the name of the licensee; the subject check was deposited into the personal bank
28 account of Cain Rodriguez; GVG has not received a written order from the

1 Commissioner authorizing the use of any other name;

- 2 (e) In or about March 8, 2006 through March 23, 2006, GVG failed to keep and use
3 books, accounts, and records to enable the examiner to reconcile a specific
4 consumer deferred deposit transaction with the documentation maintained in the
5 consumer’s deferred deposit transaction file in violation of section 23024.
6 Specifically, the consumer paid off the loan transaction in cash, however, the
7 licensee failed to produce books, accounts, and records demonstrating this fact.

8 19. **Citation C.** On or about March 25, 2006, GVG originated a consumer deferred
9 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
10 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
11 Deposit Transaction Law:

- 12 (a) GVG entered into the subject transaction without a written agreement in violation
13 of section 23035, subdivisions (a) & (e);
- 14 (b) GVG entered into the subject transaction without providing the customer the
15 appropriate notice in violation of section 23035, subdivision (c);
- 16 (c) GVG entered into the subject transaction with a
17 customer during the period of time that an earlier written agreement for a deferred
18 deposit transaction for the same customer was in effect in violation of section
19 23036, subdivision (c);
- 20 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
21 in violation of 23023; GVG has not received a written order from the
22 Commissioner authorizing the use of any other name;
- 23 (e) In or about March 25, 2006 through April 10, 2006, GVG failed to keep and use
24 books, accounts, and records to enable the examiner to reconcile a specific
25 consumer deferred deposit transaction with the documentation maintained in the
26 consumer’s deferred deposit transaction file in violation of section 23024.
27 Specifically, the consumer paid off the loan transaction in cash, however, the
28 licensee failed to produce books, accounts, and records demonstrating this fact.

1 20. **Citation D.** On or about March 25, 2006 GVG originated a second, separate and
2 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
3 the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of
4 the California Deferred Deposit Transaction Law:

5 (a) GVG entered into the subject transaction without a written agreement in violation
6 of section 23035, subdivisions (a) & (e);

7 (b) GVG entered into the subject transaction without providing the customer the
8 appropriate notice in violation of section 23035, subdivision (c);

9 (c) GVG entered into the subject transaction with a
10 customer during the period of time that an earlier written agreement for a deferred
11 deposit transaction for the same customer was in effect in violation of section
12 23036, subdivision (c);

13 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
14 in violation of 23023; GVG has not received a written order from the
15 Commissioner authorizing the use of any other name;

16 (e) In or about March 23, 2006 through April 8, 2006, GVG failed to keep and use
17 books, accounts, and records to enable the examiner to reconcile a specific
18 consumer deferred deposit transaction with the documentation maintained in the
19 consumer’s deferred deposit transaction file in violation of section 23024.
20 Specifically, the consumer paid off the loan transaction in cash, however, the
21 licensee failed to produce books, accounts, and records demonstrating this fact.

22 21. **Citation E.** On or about April 15, 2006, GVG originated a consumer deferred
23 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
24 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
25 Transaction Law:

26 (a) GVG entered into the subject transaction without a written agreement in violation
27 of section 23035, subdivisions (a) & (e);

28 (b) GVG entered into the subject transaction without providing the customer the

- 1 appropriate notice in violation of section 23035, subdivision (c);
- 2 (c) GVG entered into the subject transaction with a
- 3 customer during the period of time that an earlier written agreement for a deferred
- 4 deposit transaction for the same customer was in effect in violation of section
- 5 23036, subdivision (c);
- 6 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 7 in violation of 23023; GVG has not received a written order from the
- 8 Commissioner authorizing the use of any other name;
- 9 (e) In or about April 14, 2006 through April 24, 2006, GVG failed to keep and use
- 10 books, accounts, and records to enable the examiner to reconcile a specific
- 11 consumer deferred deposit transaction with the documentation maintained in the
- 12 consumer’s deferred deposit transaction file in violation of section 23024.
- 13 Specifically, the consumer paid off the loan transaction in cash, however, the
- 14 licensee failed to produce books, accounts, and records demonstrating this fact.

15 22. **Citation F.** On or about April 25, 2006, GVG originated a consumer deferred
16 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
17 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
18 Deposit Transaction Law:

- 19 (a) GVG entered into the subject transaction without a written agreement in violation
- 20 of section 23035, subdivisions (a) & (e);
- 21 (b) GVG entered into the subject transaction without providing the customer the
- 22 appropriate notice in violation of section 23035, subdivision (c);
- 23 (c) GVG entered the subject transaction with a
- 24 customer during the period of time that an earlier written agreement for a deferred
- 25 deposit transaction for the same customer was in effect in violation of section
- 26 23036, subdivision (c);
- 27 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 28 in violation of 23023; GVG has not received a written order from the

1 Commissioner authorizing the use of any other name;

- 2 (e) In or about April 25, 2006 through May 8, 2006, GVG failed to keep and use
3 books, accounts, and records to enable the examiner to reconcile a specific
4 consumer deferred deposit transaction with the documentation maintained in the
5 consumer’s deferred deposit transaction file in violation of section 23024.
6 Specifically, the consumer paid off the loan transaction in cash, however, the
7 licensee failed to produce books, accounts, and records demonstrating this fact.

8 23. **Citation G.** On or about April 28, 2006, GVG originated a consumer deferred
9 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
10 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
11 Transaction Law:

- 12 (a) GVG entered into the subject transaction without a written agreement in violation
13 of section 23035, subdivisions (a) & (e);
- 14 (b) GVG entered into the subject transaction without providing the customer the
15 appropriate notice in violation of section 23035, subdivision (c);
- 16 (c) GVG entered into the subject transaction with a
17 customer during the period of time that an earlier written agreement for a deferred
18 deposit transaction for the same customer was in effect in violation of section
19 23036, subdivision (c);
- 20 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
21 in violation of 23023; GVG has not received a written order from the
22 Commissioner authorizing the use of any other name;
- 23 (e) In or about April 10, 2006 through May 8, 2006, GVG failed to keep and use
24 books, accounts, and records to enable the examiner to reconcile a specific
25 consumer deferred deposit transaction with the documentation maintained in the
26 consumer’s deferred deposit transaction file in violation of section 23024.
27 Specifically, the consumer paid off the loan transaction in cash, however, the
28 licensee failed to produce books, accounts, and records demonstrating this fact.

1 24. **Citation H.** On or about May 13, 2006, GVG originated a consumer deferred
2 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
3 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
4 Transaction Law:

- 5 (a) GVG entered into the subject transaction without a written agreement in violation
6 of section 23035, subdivisions (a) & (e);
- 7 (b) GVG entered into the subject transaction without providing the customer the
8 appropriate notice in violation of section 23035, subdivision (c);
- 9 (c) GVG entered into the subject transaction with a
10 customer during the period of time that an earlier written agreement for a deferred
11 deposit transaction for the same customer was in effect in violation of section
12 23036, subdivision (c);
- 13 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
14 in violation of 23023; GVG has not received a written order from the
15 Commissioner authorizing the use of any other name;
- 16 (e) In or about May 9, 2006 through May 23, 2006, GVG failed to keep and use
17 books, accounts, and records to enable the examiner to reconcile a specific
18 consumer deferred deposit transaction with the documentation maintained in the
19 consumer’s deferred deposit transaction file in violation of section 23024.
20 Specifically, the consumer paid off the loan transaction in cash, however, the
21 licensee failed to produce books, accounts, and records demonstrating this fact.

22 25. **Citation I.** On or about May 13, 2006, GVG originated a second, separate and
23 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
24 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
25 California Deferred Deposit Transaction Law:

- 26 (a) GVG entered into the subject transaction without a written agreement in violation
27 of section 23035, subdivisions (a) & (e);
- 28 (b) GVG entered into the subject transaction without providing the customer the

1 appropriate notice in violation of section 23035, subdivision (c);

2 (c) GVG entered into the subject transaction with a
3 customer during the period of time that an earlier written agreement for a deferred
4 deposit transaction for the same customer was in effect in violation of section
5 23036, subdivision (c);

6 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
7 in violation of 23023; GVG has not received a written order from the
8 Commissioner authorizing the use of any other name;

9 (e) In or about May 8, 2006 through May 23, 2006, GVG failed to keep and use
10 books, accounts, and records to enable the examiner to reconcile a specific
11 consumer deferred deposit transaction with the documentation maintained in the
12 consumer’s deferred deposit transaction file in violation of section 23024.

13 Specifically, the consumer paid off the loan transaction in cash, however, the
14 licensee failed to produce books, accounts, and records demonstrating this fact.

15 26. **Citation J.** On or about May 27, 2006, GVG originated a consumer deferred
16 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
17 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
18 Transaction Law:

19 (a) GVG entered into the subject transaction without a written agreement in violation
20 of section 23035, subdivisions (a) & (e);

21 (b) GVG entered into the subject transaction without providing the customer the
22 appropriate notice in violation of section 23035, subdivision (c);

23 (c) GVG entered into the subject transaction with a
24 customer during the period of time that an earlier written agreement for a deferred
25 deposit transaction for the same customer was in effect in violation of section
26 23036, subdivision (c);

27 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
28 Rodriguez,” in violation of section 23023 by failing to make the check payable in

1 the name of the licensee; the subject check was deposited into the personal bank
2 account of Cain Rodriguez; GVG has not received a written order from the
3 Commissioner authorizing the use of any other name;

- 4 (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use
5 books, accounts, and records to enable the examiner to reconcile a specific
6 consumer deferred deposit transaction with the documentation maintained in the
7 consumer's deferred deposit transaction file in violation of section 23024.
8 Specifically, the consumer paid off the loan transaction in cash, however, the
9 licensee failed to produce books, accounts, and records demonstrating this fact.

10 27. **Citation K.** On or about May 27, 2006, GVG originated a second, separate and
11 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
12 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
13 California Deferred Deposit Transaction Law:

- 14 (a) GVG entered into the subject transaction without a written agreement in violation
15 of section 23035, subdivisions (a) & (e);
- 16 (b) GVG entered into the subject transaction without providing the customer the
17 appropriate notice in violation of section 23035, subdivision (c);
- 18 (c) GVG entered into the subject transaction with a
19 customer during the period of time that an earlier written agreement for a deferred
20 deposit transaction for the same customer was in effect in violation of section
21 23036, subdivision (c);
- 22 (d) GVG originated the subject transaction in the name of its branch manager, "Cain
23 Rodriguez," in violation of section 23023 by failing to make the check payable in
24 the name of the licensee; the subject check was deposited into the personal bank
25 account of Cain Rodriguez; GVG has not received a written order from the
26 Commissioner authorizing the use of any other name;
- 27 (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use
28 books, accounts, and records to enable the examiner to reconcile a specific

1 consumer deferred deposit transaction with the documentation maintained in the
2 consumer's deferred deposit transaction file in violation of section 23024.

3 Specifically, the consumer paid off the loan transaction in cash, however, the
4 licensee failed to produce books, accounts, and records demonstrating this fact.

5 28. **Citation L.** On or about June 10, 2006, GVG originated a consumer deferred
6 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
7 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
8 Transaction Law:

9 (a) GVG entered into the subject transaction without a written agreement in violation
10 of section 23035, subdivisions (a) & (e);

11 (b) GVG entered into the subject transaction without providing the customer the
12 appropriate notice in violation of section 23035, subdivision (c);

13 (c) GVG entered into the subject transaction with a
14 customer during the period of time that an earlier written agreement for a deferred
15 deposit transaction for the same customer was in effect in violation of section
16 23036, subdivision (c);

17 (d) GVG originated the subject transaction in the name of its branch manager, "Cain
18 Rodriguez," in violation of section 23023 by failing to make the check payable in
19 the name of the licensee; the subject check was deposited into the personal bank
20 account of Cain Rodriguez; GVG has not received a written order from the
21 Commissioner authorizing the use of any other name;

22 (e) In or about June 10, 2006 through June 23, 2006, GVG failed to keep and use
23 books, accounts, and records to enable the examiner to reconcile a specific
24 consumer deferred deposit transaction with the documentation maintained in the
25 consumer's deferred deposit transaction file in violation of section 23024.
26 Specifically, the consumer paid off the loan transaction in cash, however, the
27 licensee failed to produce books, accounts, and records demonstrating this fact.

28 29. **Citation M.** On or about June 10, 2006, GVG originated a second, separate and

1 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
2 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
3 California Deferred Deposit Transaction Law:

- 4 (a) GVG entered into the subject transaction without a written agreement in violation
5 of section 23035, subdivisions (a) & (e);
- 6 (b) GVG entered into the subject transaction without providing the customer the
7 appropriate notice in violation of section 23035, subdivision (c);
- 8 (c) GVG entered into the subject transaction with a
9 customer during the period of time that an earlier written agreement for a deferred
10 deposit transaction for the same customer was in effect in violation of section
11 23036, subdivision (c);
- 12 (d) GVG originated the subject transaction in the name of its branch manager, “Cain
13 Rodriguez,” in violation of section 23023 by failing to make the check payable in
14 the name of the licensee; the subject check was deposited into the personal bank
15 account of Cain Rodriguez; GVG has not received a written order from the
16 Commissioner authorizing the use of any other name;
- 17 (e) In or about June 8, 2006 through June 23, 2006, GVG failed to keep and use
18 books, accounts, and records to enable the examiner to reconcile a specific
19 consumer deferred deposit transaction with the documentation maintained in the
20 consumer’s deferred deposit transaction file in violation of section 23024.
21 Specifically, the consumer paid off the loan transaction in cash, however, the
22 licensee failed to produce books, accounts, and records demonstrating this fact.

23 30. **Citation N.** On or about June 24, 2006, GVG originated a consumer deferred
24 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
25 eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit
26 Transaction Law:

- 27 (a) GVG entered the subject transaction without a written agreement in violation of
28 section 23035, subdivisions (a) & (e);

- 1 (b) GVG entered into the subject transaction without providing the customer the
- 2 appropriate notice in violation of section 23035, subdivision (c);
- 3 (c) GVG entered into the subject transaction with a
- 4 customer during the period of time that an earlier written agreement for a deferred
- 5 deposit transaction for the same customer was in effect in violation of section
- 6 23036, subdivision (c);
- 7 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 8 in violation of 23023; GVG has not received a written order from the
- 9 Commissioner authorizing the use of any other name;
- 10 (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use
- 11 books, accounts, and records to enable the examiner to reconcile a specific
- 12 consumer deferred deposit transaction with the documentation maintained in the
- 13 consumer’s deferred deposit transaction file in violation of section 23024.
- 14 Specifically, the consumer paid off the loan transaction in cash, however, the
- 15 licensee failed to produce books, accounts, and records demonstrating this fact.

16 31. **Citation O.** On or about June 24, 2006, GVG originated a second, separate and
17 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
18 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
19 California Deferred Deposit Transaction Law:

- 20 (a) GVG entered into the subject transaction without a written agreement in violation
- 21 of section 23035, subdivisions (a) & (e);
- 22 (b) GVG entered into the subject transaction without providing the customer the
- 23 appropriate notice in violation of section 23035, subdivision (c);
- 24 (c) GVG entered into the subject transaction with a
- 25 customer during the period of time that an earlier written agreement for a deferred
- 26 deposit transaction for the same customer was in effect in violation of section
- 27 23036, subdivision (c);
- 28 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check

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in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;

- (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

CITATIONS

Pursuant to California Financial Code section 23058, GVG is hereby ordered to pay to the Commissioner an administrative penalty in the total amount of thirty-seven thousand five hundred dollars (\$37,500) for the following Citations within 30 days from the date of these Citations.

- Citation A. - two thousand five hundred dollars (\$2,500)
- Citation B. - two thousand five hundred dollars (\$2,500)
- Citation C. - two thousand five hundred dollars (\$2,500)
- Citation D. - two thousand five hundred dollars (\$2,500)
- Citation E. - two thousand five hundred dollars (\$2,500)
- Citation F. - two thousand five hundred dollars (\$2,500)
- Citation G. - two thousand five hundred dollars (\$2,500)
- Citation H. - two thousand five hundred dollars (\$2,500)
- Citation I. - two thousand five hundred dollars (\$2,500)
- Citation J. - two thousand five hundred dollars (\$2,500)
- Citation K. - two thousand five hundred dollars (\$2,500)
- Citation L. - two thousand five hundred dollars (\$2,500)
- Citation M. - two thousand five hundred dollars (\$2,500)
- Citation N. - two thousand five hundred dollars (\$2,500)
- Citation O. - two thousand five hundred dollars (\$2,500)

1 These Citations shall remain in full force and effect until further order of the
2 Commissioner.

3 **DESIST AND REFRAIN ORDER**

4 Pursuant to California Financial Code section 23050, GVG is hereby ordered to desist
5 and refrain from violating sections 23023, 23024, 23035, and 23036 of the California Deferred
6 Deposit Transaction Law codified beginning at section 23000 *et seq.* This Order is necessary, in
7 the public interest, for the protection of consumers and is consistent with the purposes, policies
8 and provisions of the California Deferred Deposit Transaction Law. This order shall remain in
9 full force and effect until further order of the Commissioner.

10 **ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS**

11 GVG willfully violated sections 23023, 23024, 23035, and 23036 of the California
12 Deferred Deposit Transaction Law by entering into fifteen (15) consumer deferred deposit
13 transactions, while existing loans were outstanding, without providing the customers written
14 agreements and proper consumer notice, as described in more detail above.

15 Pursuant to California Financial Code section 23060, subdivision (b), all fifteen (15) of
16 the aforementioned consumer deferred deposit transactions, totaling three thousand nine hundred
17 twenty dollars (\$3,920), shall be declared void, and no person shall have any right to collect or
18 receive any amount provided in the deferred deposit transactions, any charges, or fees in
19 connection with those transactions.

20 **CODE SECTIONS**

21 California Financial Code section 23058 provides, in relevant part:

22 (a) If, upon, inspection, examination, or investigation, based upon a complaint or
23 otherwise, the department has cause to believe that . . . a licensee or person is
24 violating any provision of this division or any rule or order thereunder, the
25 department may issue a citation to that person in writing, describing with
26 particularity the basis of the citation. Each citation may contain an order to desist
27 and refrain and an assessment of an administrative penalty not to exceed two
28 thousand five hundred dollars (\$2,500) . . .

 (c) If within 30 days from the receipt of the citation of the person cited fails to
 notify the department that the person intends to request a hearing as described in
 subdivision (d), the citation shall be deemed final.

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(d) Any hearing held under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code . . .

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division. If, within 30 days, after the order is served, a written request for a hearing is filed and no hearing is held within 30 days thereafter, the order is rescinded.

California Financial Code section 23060 provides, in relevant part:

(b) If any provision of this division is willfully violated in the making or collection of a deferred deposit transaction, the deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

Dated: May 15, 2007
Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division

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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: CAIN RODRIGUEZ-SILVA
12822 Gloria Place
Garden Grove, California 92843-2134

DESIST AND REFRAIN ORDER
(For violations of California Financial Code section 23005)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs, California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue, Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840; 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C, Orange, California 92867.

2. Robert Vizcarra (“Vizcarra”) is, and was at all relevant times herein, the president of GVG.

3. Cain Rodriguez-Silva¹ (“Rodriguez-Silva”) is, and was at all times relevant herein, the branch manager at GVG’s location situated at 12845 Chapman Avenue, Garden Grove, California 92840 (the "Garden Grove location").

4. Rodriguez-Silva has engaged in the business of deferred deposit transactions by originating deferred deposit transactions as described below.

¹ Aka Cain Rodriguez.

1 5. An examination of GVG’s Garden Grove location conducted by the
2 Commissioner in August 2006 disclosed that Rodriguez-Silva had originated at least six (6)
3 deferred deposit transactions. The examination further disclosed that Rodriguez-Silva had been
4 engaged in originating deferred deposit transactions since at least March 13, 2006 through at
5 least June 23, 2006.

6 6. A deferred deposit transaction is a written transaction whereby one person gives
7 funds to another person upon receipt of a personal check and it is agreed that the personal check
8 shall not be deposited until a later date.

9 7. On at least six (6) occasions, Rodriguez-Silva originated deferred deposit
10 transactions with customers at GVG’s Garden Grove location while employed as a branch
11 manager. He accepted deferred deposit checks from borrowers for repayment with the checks
12 made payable to him and deposited said checks into his own personal bank account. Following
13 an interview with a Department of Corporations examiner, Rodriguez-Silva provided a written
14 statement on or about August 31, 2006, in which he admitted that he had engaged in deferred
15 deposit transactions with GVG's customers.

16 8. Rodriguez-Silva has not been issued a license by the Commissioner authorizing
17 him to engage in the business of deferred deposit transactions under the California
18 Deferred Deposit Transaction Law (“CDDTL”) (Fin. Code, §§ 23000 et seq.)².

19 9. Rodriguez-Silva is not exempt from the licensing requirements of Financial Code
20 section 23005.

21 10. Rodriguez-Silva was specifically aware that a CDDTL license was required in
22 order to engage in the business of deferred deposit transactions as his employer GVG had
23 obtained a CDDTL license from the Commissioner concerning its Garden Grove location on
24 December 31, 2004. A CDDTL license was never issued to Rodriguez-Silva.

25 By reason of the foregoing, Rodriguez-Silva has engaged in the business of deferred
26 deposit transactions without having first obtained a license from the Commissioner in violation
27

28 ² GVG is licensed by the Commissioner authorizing it to engage in the business of deferred deposit transactions under the CDDTL at all eight of its locations listed above in paragraph 1.

1 of Financial Code section 23005.

2 Pursuant to California Financial Code section 23050, Rodriguez-Silva is hereby ordered
3 to desist and refrain from engaging in the business of deferred deposit transactions in the State of
4 California without first obtaining a license from the Commissioner, or otherwise being exempt.
5 This Order is necessary, in the public interest, for the protection of consumers and is consistent
6 with the purposes, policies and provisions of the California Deferred Deposit Transaction Law.
7 This order shall remain in full force and effect until further order of the Commissioner.

8 California Financial Code section 23050 provides in pertinent part:

9 Whenever, in the opinion of the commissioner, any person is engaged in the
10 business of deferred deposit transactions, as defined in this division, without
11 a license from the commissioner . . . the commissioner may order that person
12 or licensee to desist and to refrain from engaging in the business . . . If, within
30 days, after the order is served, a written request for a hearing is filed and no
hearing is held within 30 days thereafter, the order is rescinded.

13 Dated: May 15, 2007
14 Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

15 By _____
16 ALAN S. WEINGER
17 Lead Corporations Counsel
18 Enforcement Division
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