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7 Attorneys for Complainant

8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA  
11

12 In the Matter of:	)	CDDTL License No. 100-4481
13 THE COMMISSIONER OF BUSINESS	)	
14 OVERSIGHT,	)	CITATION AND DESIST AND REFRAIN
	)	ORDER PURSUANT TO FINANCIAL
15 Complainant,	)	CODE SECTION 23058
	)	
16 v.	)	
	)	
17 UNITED SOUTHLAND FINANCIAL, INC.	)	
18 (D/B/A LOANING AMERICA)	)	
	)	
19 Respondent.	)	
	)	
20	)	
21	)	

22  
23 The Complainant is informed and believes, and based upon such information and belief,  
24 alleges and charges Respondent as follows:

25 **I.**

26 **BACKGROUND**

27 1. The Commissioner of Business Oversight (Commissioner) has jurisdiction over  
28 deferred deposit transactions as set forth in the California Deferred Deposit Transaction Law

1 (CDDTL) (Fin. Code, § 23000 et seq.). The Commissioner is authorized to pursue administrative  
2 actions and remedies against persons who engage in violations of the CDDTL.

3 2. “Deferred deposit transaction,” as defined by section 23001, subdivision (a), means a  
4 transaction whereby a person defers depositing a customer’s personal check until a specific date,  
5 pursuant to a written agreement for a fee or other charge.

6 3. United Southland Financial, Inc. (D/B/A Loaning America) (hereinafter  
7 “Respondent”) is, and was at all relevant times herein, a corporation incorporated in California on  
8 December 28, 2011. Robert Kushner is an officer of Respondent.

9 4. On or about February 13, 2013, Respondent obtained a license from the Commissioner  
10 to engage in the business of deferred deposit transactions at 16129 Hawthorne Boulevard, Suite D,  
11 Lawndale, California 90260. The license number is 100-4481.

12 **II.**

13 **VIOLATION OF THE CDDTL**

14 5. Financial Code section 23024 provides, in pertinent part:

15 Each licensee shall keep and use books, accounts, and records that will enable the  
16 commissioner to determine if the licensee is complying with the provisions of this  
17 division and with the rules and regulations promulgated by the commissioner.

18 6. As part of an examination of Respondent commenced by the Commissioner on June  
19 15, 2015, Respondent submitted Quarterly Balance Sheets as of September 30, 2014, December 31,  
20 2014, March 31, 2015 and June 31, 2015 that were inaccurate in at least one respect.

21 7. Respondent’s inaccurate Quarterly Balance Sheets prevented the Commissioner from  
22 accurately assessing whether Respondent maintained a net worth of at least twenty-five thousand  
23 dollars (\$25,000.00) as required by Financial Code section 23007.

24 **III.**

25 **CITATION**

26 8. Financial Code section 23058 authorizes the Commissioner to issue a citation not  
27 exceeding \$2,500.00 for each violation of any provision of the CDDTL or any rule or order  
28 thereunder. Section 23058, subdivision (a) provides, in pertinent part:

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

5 9. Based upon the foregoing findings, the Commissioner is of the opinion that  
6 Respondent, in violation of Financial Code section 23024, failed to keep and use books, accounts and  
7 records that would enable the Commissioner to determine if Respondent was complying with the  
8 CDDTL. Pursuant to Financial Code section 23058, Respondent United Southland Financial, Inc.  
9 (D/B/A Loaning America) is hereby cited for violation of Financial Code section 23024.

10 10. Respondent United Southland Financial, Inc. (D/B/A Loaning America) is hereby  
11 ordered to pay the Commissioner an administrative penalty of \$2,500.00 for this citation within 30  
12 days from the date these citations are deemed final pursuant to section 23058(c). The penalty  
13 payment shall be made in the form of a check made payable to the “Department of Business  
14 Oversight” and mailed to the attention of Senior Counsel Adam Wright at 320 West 4th Street, Suite  
15 750, Los Angeles, California 90013-2344.

16 **IV.**

17 **DESIST AND REFRAIN ORDER**

18 11. Financial Code section 23058, subdivision (a), authorizes the Commissioner to order a  
19 licensee or person to desist and refrain from violating any provision of the CDDTL or any rule or  
20 order thereunder.

21 12. Financial Code section 23050 provides, in pertinent part:

22 Whenever, in the opinion of the commissioner, . . . any licensee is violating any  
23 provision of this division, the commissioner may order that . . . licensee to desist  
and to refrain from . . . further violating this division.

24 13. The foregoing facts establish a violation of the CDDTL by Respondent.

25 14. Pursuant to Financial Code sections 23050 and 23058, Respondent is hereby ordered  
26 to desist and refrain from engaging in the business of deferred deposit transactions in the State of  
27 California in violation of Financial Code section 23024.  
28

1           This Order is necessary for the protection of consumers and consistent with the purposes,  
2 policies, and provisions of the CDDTL.

3  
4 Dated: February 17, 2017  
5 Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

6  
7 By \_\_\_\_\_  
8 MARY ANN SMITH  
9 Deputy Commissioner  
10 Enforcement Division  
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