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

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|---------------------------------|---|-------------------------------------|
| 11 In the Matter of: |) | CFL LICENSE NOS.: 603I396, 603J460, |
| |) | 603J972, 60DBO-44420 |
| 12 THE COMMISSIONER OF BUSINESS |) | |
| OVERSIGHT, |) | CITATION |
| |) | |
| 13 Complainant, |) | (FIN. CODE, § 22707.5) |
| 14 v. |) | |
| |) | |
| 15 UNIVERSITY ISLAMIC FINANCIAL |) | |
| CORPORATION, |) | |
| |) | |
| 16 Respondent. |) | |
| |) | |
| |) | |
| |) | |
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20 The Commissioner of Business Oversight (Commissioner) finds the following:

21 **I.**

22 **Factual Background**

- 23 1. University Islamic Financial Corporation is a Michigan corporation with a principal
- 24 place of business at 2015 Washtenaw Avenue, Ann Arbor, Michigan 48104.
- 25 2. University Islamic Financial Corporation is licensed as a finance lender under
- 26 California Finance Lenders Law (CFL) license numbers 603I396, 603J460, 603J972, and 60DBO-
- 27 44420.

1 3. Under Financial Code section 22159, CFL licensees must file an annual report with
2 the Commissioner by March 15 of each year.

3 4. On March 6, 2017, the Commissioner reminded CFL licensees of the March 15
4 deadline for filing their annual reports by sending notice to the e-mail addresses designated by the
5 licensees for receiving communications from the Commissioner according to the Commissioner’s
6 Order on Electronic Communications dated November 22, 2013.

7 5. As of March 22, 2017, University Islamic Financial Corporation had not filed its
8 annual report. The Commissioner sent final notices dated March 22, 2017, to University Islamic
9 Financial Corporation by certified mail, informing it that if it did not file its annual report by the
10 close of business on April 10, 2017, its licenses would be summarily revoked under Financial Code
11 section 22715.

12 6. On April 11, 2017, University Islamic Financial Corporation still had not filed its
13 annual report. Thus, on April 19, 2017, the Commissioner issued orders summarily revoking CFL
14 license numbers 603I396, 603J460, 603J972, and 60DBO-44420 of University Islamic Financial
15 Corporation. The orders were effective that day.

16 7. On May 22, 2017, University Islamic Financial Corporation filed its annual report,
17 which was due on March 15, 2017.

18 8. In response to University Islamic Financial Corporation’s corrective action, on May
19 23, 2017, the Commissioner issued orders rescinding the April 19, 2017 revocation orders and
20 reinstating University Islamic Financial Corporation’s CFL license numbers 603I396, 603J460,
21 603J972, and 60DBO-44420. The Commissioner also issued a Citation under Financial Code
22 section 22707.5 for University Islamic Financial Corporation’s failure to file the annual report.

23 9. On May 30, 2017, University Islamic Financial Corporation represented to the
24 Commissioner that it took six loan applications from California residents from April 19 to May 23,
25 2017.

26 10. In response to University Islamic Financial Corporation’s statement, on June 8,
27 2017, concurrently with this Citation, the Commissioner issued an order rescinding the May 23,
28 2017 Citation.

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II.

Citation

Financial Code section 22707.5, subdivision (a), provides in relevant part:

If, upon inspection, examination, or investigation, the commissioner has cause to believe that a licensee or other person is violating any provision of this division or any rule or order thereunder, the commissioner or his or her designee, may issue a citation to the licensee or person in writing, describing with particularity the basis of the citation. . . . In addition, each citation may assess an administrative fine not to exceed two thousand five hundred dollars (\$2,500)

Based on the foregoing findings, University Islamic Financial Corporation failed to file an annual report with the Commissioner in violation of Financial Code section 22159. The Commissioner hereby assesses a \$2,500.00 administrative fine under Financial Code section 22707.5, subdivision (a). University Islamic Financial Corporation is ordered to pay \$2,500.00 for this violation within 30 days from the date of this Citation.

Based on the foregoing findings, University Islamic Financial Corporation engaged in the business of a finance lender or broker without obtaining a license in violation of Financial Code section 22100. The Commissioner hereby assesses a \$2,500.00 administrative fine under Financial Code section 22707.5, subdivision (a). University Islamic Financial Corporation is ordered to pay \$2,500.00 for this violation within 30 days from the date of this Citation.

The total amount of \$5,000.00 must be made payable in the form of a cashier’s check or Automated Clearing House deposit to the Department of Business Oversight and transmitted to the attention of Accounting – Litigation, at the Department of Business Oversight, 1515 K Street, Suite 200, Sacramento, California 95814. Notice of the payment must be sent to Samuel J. Park, Counsel, 320 West 4th Street, Suite 750, Los Angeles, California 90013.

Dated: June 8, 2017
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division