

STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT

TO: Shorecrest Ventures, Inc. dba Western Pacific Lending
Erick C. Graziano
Donald Ryan
2405 McCabe Way, Suite #212
Irvine, California 92614-6244

DESIST AND REFRAIN ORDER
(For violations of section 22100 of the California Financial Code)

The Commissioner of Business Oversight finds that:

1. At all relevant times, Shorecrest Ventures, Inc. dba Western Pacific Lending (“WPL”) is, or was, a California corporation with its principal place of business located at 2405, McCabe Way, Suite #212, Irvine, California 92614. WPL purportedly engages in the business of marketing loans to small businesses.

2. At all relevant times herein, Erick C. Graziano (“Graziano”) is, or was, the president of WPL.

3. At all relevant times herein, Donald Ryan (“Ryan”) is, or was, the chief executive officer of WPL.

4. WPL maintains a website at <http://www.westernpacificlending.com>, where it advertises that it is “... committed to helping you meet your cash flow needs to grow your business...” WPL’s website further states:

Our team of professionals in the field of finance have capital solutions to allow your company to bridge itself between the timing of cash flows of payments it receives and its expenses. We have the low rates, easy underwriting guidelines and some of the fastest approvals in the industry. We also offer the large funding amounts with renewals up to \$2,000,000. We have earned a reputation in the industry and with our clients by offering honest informative advice and affordable solutions to help business owners handle the cash flow demands of their business.

1 5. Beginning in at least March 2014, WPL, Graziano, and Ryan negotiated and entered
2 into marketing agreements with finance lenders who provide financing to businesses purportedly in
3 the form of merchant cash advances; purchases of future receivables; and loans.

4 6. On or about March 18, 2014, WPL and Ryan entered into a marketing agreement with
5 at least one finance lender dated March 18, 2014 (“Marketing Agreement”) in which WPL agreed to
6 act as a non-exclusive independent marketer of the lender’s loans. According to the Marketing
7 Agreement, “the purpose of the agreement is to establish the terms and conditions by which WPL
8 will market the lending services” of the lender. Further, the Marketing Agreement provides that
9 WPL “... will use its best efforts to market the loans, including by regularly contacting and visiting
10 existing and potential borrowers,” and have sole responsibility for identifying potential borrowers;
11 collecting documentation and information lenders require in determining the eligibility of borrowers
12 and providing borrowers’ information to the lenders. The Marketing Agreement states that the lender
13 would pay WPL a commission if certain conditions were met, including (i) that WPL identify a
14 borrower and transmit the borrower’s information; (ii) the borrower is approved by the lender; (iii)
15 the borrower accepts the loan terms provided by the lender; (iv) the funds are successfully transferred
16 to the borrower; and (iv) WPL otherwise performs its duties and responsibilities according to the
17 terms of the Marketing Agreement.

18 7. The Commissioner has not issued a license to WPL, Graziano, or Ryan, authorizing
19 them to engage in the business of a finance lender and/or broker under the California Finance
20 Lenders Law. WPL, Graziano, and Ryan are not exempt from the licensing requirements of
21 California Financial Code section 22100.

22 By reason of the foregoing, WPL, Graziano, and Ryan have engaged in the business of a
23 finance lender and/or broker without having first obtained a license from the Commissioner in
24 violation of California Financial Code section 22100.

25 Pursuant to California Financial Code section 22712, Shorecrest Ventures, Inc. dba Western
26 Pacific Lending, Erick C. Graziano, and Donald Ryan are ordered to desist and refrain from engaging
27 in the business of a finance lender and/or broker in the State of California without first obtaining a
28 license from the Commissioner, or otherwise being exempt.

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This order is necessary, in the public interest, for the protection of consumers, and is consistent with the purposes, policies, and provisions of the California Finance Lenders Law.

Dated: October 10, 2016
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division