

DEPARTMENT OF BUSINESS OVERSIGHT*Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****MEDIA RELEASE****For Immediate Release**

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**California Department of Business Oversight Sanctions
Unlicensed Online Payday Lenders**

SACRAMENTO, CA (July 12, 2013) – The California Department of Business Oversight has taken action against a company that is making payday loans illegally and without a license. East Side Lenders, LLC, a Delaware limited liability company, has been ordered to desist and refrain from engaging in the business of deferred deposit transactions, commonly known as payday loans. The Department has also issued an order voiding all illegal transactions with California residents, and issued citations totaling \$77,500 for 31 separate violations.

“I urge consumers to check the Department’s website to make sure a payday lender is licensed and is not the subject of a prior enforcement action,” said Commissioner of Business Oversight Jan Lynn Owen. “Be extremely wary of any online solicitations for a payday loan. Falling victim to just one illegal online payday lender often leads to a never-ending barrage of illegal offers and repeated victimization.”

East Side Lenders is one of eleven illegal online lenders caught recently by the Department. Six were identified in an April 15 release from the Department (<http://www.dbo.ca.gov/Archives/Press/news/2013/Northway.pdf>). Since then, East Side and four other online payday lenders have been caught violating California’s Deferred Deposit Transaction Law, namely:

- CWB Services LLC (Missouri, USA)
- Prestige Group Marketing (Charlestown, Nevis, West Indies)
- Twin Bluffs Financial LLC a.k.a. Twin Bluffs Financial (Missouri, USA)
- Vince Enterprises, Ltd. a.k.a. Vince Enterprise (Charlestown, Nevis, West Indies)

The companies’ violations include unlicensed payday lending activities and exceeding statutory limits for loans and transaction fees. Enforcement actions taken by the Department in these types of cases can include Desist and Refrain orders, orders voiding transactions, and citations.

To help consumers avoid falling victim to unlicensed online payday lenders, the Department issued a Payday Loan Consumer Alert (http://www.dbo.ca.gov/Archives/Press/news/2012/InternetPaydayLendingAlert_8-13-12.pdf). Enforcement actions against any financial services firm may be viewed and printed from the Department’s website at <http://www.dbo.ca.gov/ENF/>.

Consumers are strongly warned against entering personal or financial data on Internet-based application forms. Such data can be misused or pirated even before a loan is agreed to by the borrower. Lenders can be checked out at the Department’s website at <http://www.dbo.ca.gov/FSD/Licensees/> or by calling toll-free at 1-866-275-2677.

On July 1, 2013, the Department of Corporations and the Department of Financial Institutions merged to become the California Department of Business Oversight. California consumers should contact the Department of Business Oversight Corporations to check on the status of the companies, investments or other financial services they are considering and the licensing status of individuals at the Department’s toll-free Consumer Services Office at 1-866-275-2677 or at www.dbo.ca.gov.