

1 MARY ANN SMITH
Deputy Commissioner
2 DANIEL P. O'DONNELL
Assistant Chief Counsel
3 JOANNE ROSS (State Bar No. 202338)
Senior Counsel
4 Department of Business Oversight
5 1515 K Street, Suite 200
6 Sacramento, California 95814
7 Telephone: (916) 324-9687
Facsimile: (916) 445-6985

8 Attorneys for Complainant

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

12 In the Matter of:) CFL NO.: 603-L032
13 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,) ACCUSATION TO REVOKE FINANCE
14) LENDING LICENSE PURSUANT TO
Complainant,) FINANCIAL CODE SECTION 22714
15)
16 v.)
17)
PACIFIC EQUITY BUSINESS)
18 CORPORATION,)
19 Respondent.)
20 _____)

21 Jan Lynn Owen, the Commissioner of Business Oversight (Commissioner), alleges and charges
22 as follows:

23 I.

24 INTRODUCTION

25 1. Pacific Equity Business Corporations (Pacific Equity) is a finance lender licensed by the
26 Commissioner (CFL License No. 603-L032), pursuant to the California Financing Law (CFL) as set
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1 forth in Financial Code section 22000 et seq.¹

2 2. Pacific Equity has its principal place of business at 6245 Wilshire Boulevard, Suite PH203, Los
3 Angeles, California 90048.

4 3. The Commissioner is authorized to administer and enforce the provisions of the CFL.

5 4. The Commissioner now brings this action against Pacific Equity to revoke its license pursuant
6 to section 22714.

7 **II.**

8 **VIOLATIONS OF CFL**

9 **A. Failing to Disclose Department of Real Estate Disciplinary Action**

10 5. Section 22705.1, subdivision (a) provides, in relevant part, that “for any licensee, a disciplinary
11 action taken by the State of California . . . for an action substantially related to the activity regulated
12 under this division may be grounds for disciplinary action by the commissioner.”

13 6. On September 25, 2015, the Department of Real Estate revoked the real estate corporate license
14 of Pacific Equity, effective November 3, 2015 (DRE Action).

15 7. On January 22, 2018, Pacific Equity filed an amendment to their existing license with the
16 Commissioner and did not disclose the DRE Action on its amendment application as required by
17 California Code of Regulations, title 10, section 1422.

18 8. During its review of Pacific Equity’s amendment application the Department of Business
19 Oversight (Department) discovered the DRE Action. The DRE Action includes conclusions of law
20 that cause existed to impose discipline on Pacific Equity and its designated officer for dishonest
21 dealing and willful disregard of the Real Estate Law by failing to maintain client trust accounts and
22 allowing client trust funds to be used for private purposes. DRE cited protection of the public when it
23 ordered all of Pacific Equity’s licensing rights revoked.

24 9. The DRE Action is substantially related to the activity regulated by the CFL and constitutes
25 grounds for the revocation of Pacific Equity’s CFL license.

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28 ¹ All further section references are to the California Financial Code.

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III.

ORDER TO REVOKE LICENSE

Financial Code section 22714 provides that the Commissioner shall, after notice and a reasonable opportunity to be heard, revoke any license if the Commissioner finds that the licensee has violated any provision of the CFL, or if a fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner refusing to issue the license originally.

WHEREFORE, good cause showing, and pursuant to section 22714, the Commissioner prays for an order revoking the finance lending license of Pacific Equity Business Corporation.

Dated: May 24, 2019
Sacramento, CA

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
JOANNE ROSS
Senior Counsel
Enforcement Division