

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

4 To: Charita Private Banking

5  
6 CEASE AND DESIST ORDER  
7 (For violations of Financial Code section 560, 561, 562)

8 The Commissioner of Business Oversight (Commissioner)<sup>1</sup> finds that:

9 1. At all relevant times, Charita Private Banking is a business (form unknown) located  
10 at an undisclosed location in Los Angeles, California.

11 2. At all relevant times, Charita Private Banking maintains a website at  
12 charitaonline.com. The Charita Private Banking homepage, contains statements as follows:

- 13 a. “We are International Bank”
- 14 b. “CHARITA BANK is not just a local financial company. We are available  
15 internationally through our online services for more than 12 years.”
- 16 c. “A bank that fits you it changes everything: simple process, 100% online, secure and  
17 full range of products you need at the best price!”

18 3. Under the “Services” tab of the website, Charita Private Banking displayed various  
19 written descriptions of its business and the services it offers, such as:

- 20 a. “Online Banking”
- 21 b. “Stock Exchange”
- 22 c. “Thriftiness”
- 23 d. “Insurance”
- 24 e. “Loan Services”
- 25 f. “Investment”

26  
27 <sup>1</sup> The Department of Business Oversight (DBO) is responsible for enforcing provisions of the California Financial Code  
28 commencing at section 550, and is authorized to pursue administrative actions and remedies against persons who violate those provisions.

1 g. “Transfer Funds Between SRB Accounts”

2 4. Financial Code section 560 provides, “No person who has not received a certificate  
3 from the commissioner authorizing it to engage in the banking business shall solicit or receive  
4 deposits, issue certificate of deposits with or without provision for interest, make payments on  
5 checks, or transact business in the way or manner of a bank or trust company.”

6 5. Financial Code section 561 provides: “No person who has not received a certificate  
7 from the commissioner authorizing it to engage in the banking business shall . . . make use of or  
8 circulate any letterheads, billheads, blank notes, blank receipts, certificates, or circulars, or any  
9 written or printed paper, whatever, having thereon any artificial or corporate name or other words  
10 indicating that the business is the business of a bank or trust company, or transact business in a way  
11 or manner as to lead the public to believe that its business is that of a bank or trust company, except  
12 to the extent expressly authorized by this division.”

13 6. Financial Code section 562 provides, “No person who has not received a certificate  
14 from the commissioner authorizing it to engage in the banking business shall transact business  
15 under any name or title that contains the word “bank” or “banker” or “banking” . . . or act or  
16 advertise in any manner that indicates that the business is the business of a bank . . . ”

17 7. The Commissioner has not issued Charita Private Banking a certificate authorizing  
18 them to engage in the banking business in this State or to transact business under any name or title  
19 that contains the words “bank.”

20 8. Pursuant to Financial Code section 567, “If the commissioner finds that a person has  
21 conducted, or that there is reasonable cause to believe that a person is about to conduct, business  
22 that requires a license issued by the commissioner and that person has not been issued the required  
23 license, the commissioner may, without any prior notice or hearing, order the person to cease and  
24 desist from conducting any unauthorized business unless and until the person is issued a license to  
25 engage in appropriate license business.”

26 Based on the foregoing findings, the Commissioner is of the opinion that Charita Private  
27 Banking is engaged in the business of soliciting or receiving deposits or transacted business in the  
28

1 way or manner of a bank, without first obtaining a certificate from the Commissioner authorizing it  
2 to engage in the banking business in this state, in violation of Financial Code section 560.

3 The Commissioner is of the further opinion that Charita Private Banking has made use of or  
4 circulated written words indicating that their business is the business of a bank, or have transacted  
5 business in a way or manner as to lead the public to believe that its business is that of a bank,  
6 without first obtaining a certificate from the Commissioner authorizing it to engage in the banking  
7 business in this state, in violation of Financial Code section 561.

8 The Commissioner is of the further opinion that Charita Private Banking transacted business  
9 under a name that contains the word “banking” or acted or advertised in a manner that indicates that  
10 their business is the business of a bank, without first obtaining a certificate from the Commissioner  
11 authorizing it to engage in the banking business in this state, in violation of Financial Code section  
12 562.

13 Pursuant to Finance Code section 567, Charita Personal Banking is hereby ordered to cease  
14 and desist from engaging in the business of soliciting or receiving deposits or transacted business in  
15 the way or manner of a bank or trust company, and/or making use of or circulating written words  
16 indicating that their business is the business of a bank, or transacting business in a way or manner as  
17 to lead the public to believe that its business is that of a bank, and/or transacting business under a  
18 name that contains the word “bank” or acting or advertising in a manner that indicates that their  
19 business is the business of a bank, without first obtaining a certificate from the Commissioner  
20 authorizing them to engage in the banking business in this state, or otherwise being exempt.

21 This Order is necessary, in the public interest, for the protection of consumers and consistent  
22 with the purposes, policies and provision of the California Financial Institutions Law.

23 Dated: February 4, 2020  
24 San Francisco, CA

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

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26  
27 By \_\_\_\_\_  
Mary Ann Smith  
Deputy Commissioner  
28 Enforcement Division