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

11 In the Matter of:	) CFL FILE NO.: 60DBO-103136
12 THE COMMISSIONER OF BUSINESS	)
OVERSIGHT,	) STATEMENT OF ISSUES
13 Complainant,	)
14 v.	)
15 INNOVATIVE FUNDING SOLUTIONS,	)
INC.,	)
16 Respondent.	)

18  
19 The Commissioner of Business Oversight (Commissioner) is informed and believes, and  
20 based upon such information and belief, alleges and charges Respondent as follows:

21 **I.**

22 **Jurisdiction**

23 1. The Commissioner has jurisdiction over the licensing and regulation of persons and  
24 entities engaged in the business of finance lending or brokering under the California Financing Law  
25 (CFL) (Fin. Code, § 22000 et seq.).

26 2. On September 3, 2019, Respondent Innovative Funding Solutions, Inc. (Innovative  
27 Funding) applied to the Commissioner for a finance lender and broker license under the CFL.





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**IV.**

**Previous Violation of CFL**

18. The Commissioner may deny an application for a CFL license if the applicant or an officer, director, general partner, person responsible for the applicant’s lending activities in California, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has violated any provision of the CFL or any similar regulatory scheme of California or a foreign jurisdiction. (Fin. Code, § 22109, subd. (a)(3).)

19. As described in paragraphs 6 to 14, Peragine is the sole owner and officer of Innovative Funding. Peragine previously violated the CFL by failing to pay the annual assessment in his capacity as sole owner and officer of Executive Cash, which resulted in the revocation of Executive Cash’s CFL license.

20. Thus, an owner and officer of Innovative Funding previously violated a provision of the CFL within the meaning of Financial Code section 22109, subdivision (a)(3). Accordingly, Innovative Funding’s application should be denied.

**V.**

**Commissioner’s Authority to Deny Application**

21. Financial Code section 22109 provides in relevant part:

(a) Upon reasonable notice and opportunity to be heard, the commissioner may deny the application for a finance lender, broker, or program administrator license for any of the following reasons:

(1) A false statement of a material fact has been made in the application.

...

(3) The applicant or an officer, director, general partner, person responsible for the applicant’s lending activities or administering [property assessed clean energy (PACE) financing] programs for the applicant in this state, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has violated any provision of this division or the rules thereunder or any similar regulatory scheme of the State of California or a foreign jurisdiction.

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**VI.**

**Prayer**

For the foregoing reasons, the Commissioner finds that a false statement of material fact was made in the application of Innovative Funding Solutions, Inc., within the meaning of Financial Code section 22109, subdivision (a)(1).

The Commissioner also finds that an owner and officer of Innovative Funding Solutions, Inc., previously violated a provision of the CFL within the meaning of Financial Code section 22109, subdivision (a)(3).

Accordingly, the Commissioner has grounds to deny the application of Innovative Funding Solutions, Inc., for a finance lender and broker license.

WHEREFORE, IT IS PRAYED that the application of Innovative Funding Solutions, Inc., for a finance lender and broker license be denied.

Dated: July 24, 2020  
Los Angeles, California

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

By: \_\_\_\_\_  
SAMUEL J. PARK  
Counsel  
Enforcement Division