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9  
10 Attorneys for Complainant

11 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
12 OF THE STATE OF CALIFORNIA

13  
14 In the Matter of: ) CFL License No. 6038336  
15 THE COMMISSIONER OF FINANCIAL )  
16 PROTECTION AND INNOVATION, )  
17 Complainant, ) ACCUSATION IN SUPPORT OF NOTICE OF  
18 v. ) INTENTION TO ISSUE ORDER REVOKING  
19 RD LEGAL FUNDING, LLC, ) CALIFORNIA FINANCING LAW LICENSE  
20 Respondent. )

21  
22 The Complainant is informed and believes and based upon such information and belief,  
23 alleges and charges the Respondent as follows:

24  
25 **I.**  
**Statement of Facts**

26 1. The Commissioner of Financial Protection and Innovation (Commissioner) has  
27 jurisdiction over the licensing and regulation of persons and entities engaged in the business of  
28 finance lending or brokering under the California Financing Law (CFL) (Fin. Code, § 22000 et seq.).

1           2.       At all relevant times, RD Legal Funding, LLC (RD Legal) is a limited liability  
2 company, with a principal place of business at 45 Legion Drive, Cresskill, New Jersey 07626. On or  
3 around August 1998, RD Legal registered with the New Jersey Secretary of State under number  
4 0600055349. On or around January 2, 2002, RD Legal registered with the California Secretary of  
5 State (CA SOS) under number 200201010034.

6           3.       At all relevant times, Roni Dersovitz (Dersovitz) is the managing member of RD  
7 Legal.

8           4.       On or around June 7, 2002, the Commissioner issued a CFL license as a finance  
9 lender to RD Legal, main license number 6038336.

10          5.       In accordance with title 10, California Code of Regulations section 1422 (Cal. Code  
11 of Regs., tit. 10, § 1422 et seq.), a CFL licensee that is a limited liability company incorporated in  
12 states other than California (foreign business entity) must maintain good standing with the CA SOS  
13 and show the foreign business entity is qualified to do business in California at all times.

14          6.       On or around June 24, 2020, the Department of Financial Protection and Innovation  
15 (Department) discovered the corporate status of RD Legal was forfeited by the California Franchise  
16 Tax Board (FTB) and became inactive with the CA SOS.

17          7.       On or around July 29, 2020, the Department’s examiner sent an email to RD Legal  
18 designated e-mail on file with the Commissioner, Gov-compliance@legalfunding.com. The  
19 examiner informed RD Legal that all licensees must maintain an active corporate status with the CA  
20 SOS and remain in “good standing” at all times. The examiner also notified RD Legal that they must  
21 provide evidence to the Commissioner by August 19, 2020 that its corporate status with the CA SOS  
22 has been reinstated and in good standing.

23          8.       The Department’s examiner sent two additional emails to RD Legal following up  
24 with licensee’s status with the CA SOS on November 20, 2020 and December 22, 2020.

25          9.       On or around December 23, 2020, Kathy Jesson (Jesson), the Controller for RD  
26 Legal, sent an email to the Commissioner that licensee’s email address changed.

27          10.       On or around December 28, 2020, Dersovitz sent an email to the Commissioner  
28 stating that Gov.compliance@legalfunding.com does not exist and requested the Department to

1 update licensee’s email address to rdersovitz@legalfunding.com. Dersovitz used the email address  
2 accountspayable@legalfunding.com to contact the Commissioner.

3 11. On the same day, the Department’s examiner immediately sent an email to Jesson,  
4 Dersovitz, and RD Legal with instructions how to update RD Legal’s designated email with the  
5 Commissioner. The examiner also requested an update by January 4, 2021, concerning RD Legal’s  
6 corporate status with the CA SOS.

7 12. On or around January 11, 2021, the examiner sent another email to Jesson, Dersovitz,  
8 and RD Legal requesting an update on its CA SOS corporate status by January 15, 2021. RD Legal  
9 failed to provide its corporate status to the Commissioner by January 4, 2021.

10 13. On or around February 25, 2021, the examiner sent another email to Jesson,  
11 Dersovitz, and RD Legal requesting an estimate when licensee’s status will be active with the CA  
12 SOS.

13 14. On or around March 4, 2021, Jesson sent the examiner an email asking guidance how  
14 to reactivate licensee’s corporate status with the CA SOS. To date, the corporate status of RD Legal  
15 remains FTB suspended and in violation of Cal. Code of Regs., tit. 10, § 1422 et seq.

16 **II.**  
17 **Applicable Law**

18 15. Financial Code section 22714 states in relevant part:

19 (a) The commissioner shall suspend or revoke any license, upon notice  
20 and reasonable opportunity to be heard, if the  
21 commissioner finds any of the following:

22 (1) The licensee has failed to comply with any demand, ruling, or  
23 requirement of the commissioner made pursuant to and within  
24 the authority of this division.

25 (2) The licensee has violated any provision of this division or any rule  
26 or regulation made by the commissioner under and within  
27 the authority of this division.

28 (3) 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 in refusing to issue the license originally.

16. Cal. Code of Regs., tit. 10, § 1422 et seq. states in relevant part:

(a)(1) On or after October 1, 2021, an applicant shall file an  
application for a license under the California Financing Law through

1 NMLS in accordance with its procedures, as provided in section  
2 1422.5 of these rules.

3 . . .

4 **ITEM NUMBER 12 OF APPLICATION:**

5 Designated Department of Financial Protection and Innovation Email  
6 Account: Provide a designated email account to receive  
7 communications from the Department of Financial Protection and  
8 Innovation. Applicants must establish and maintain an email account  
9 designated for communications with the Department of Financial  
10 Protection and Innovation. In addition to identifying the email account  
11 in this application, an applicant must register online and designate the  
12 email address through the DFPI Self Service Portal at  
13 <https://docqnet.dfp.ca.gov/>. The email account must conform to the  
14 following parameters:

- 15 (1) The account must be a generic address and not an individual's  
16 email.
- 17 (2) The account must allow the receipt of all “@govdelivery.com”  
18 emails.
- 19 (3) The security settings of the account must allow for the receipt of  
20 attachments.
- 21 (4) The account must allow for the distribution of emails to the  
22 appropriate individuals within the applicant.
- 23 (5) The account must be continuously maintained.

24 . . .

25 **EXHIBIT J: Applicants Organized in Any State as a Limited  
26 Partnership or Limited Liability Company**

27 Limited partnerships and limited liability companies must submit an  
28 ORIGINAL certificate of qualification or good standing from the  
Secretary of State or other authority of the applicant's state of  
organization. The name on the certificate must match the name in Item  
Number 1 of the application. The certificate must also indicate the  
original date of organization. Label the document as Exhibit J.

**EXHIBIT K (Foreign Business Entities ONLY):**

Additional Requirements for Applicants Organized as a Limited  
Partnership or Limited Liability Company in States Other Than  
California

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A foreign limited partnership or foreign limited liability company must  
also register and qualify to conduct business in the State of California  
and provide an original certificate of qualification or good standing

1 from the California Secretary of State. The name on the certificate  
2 must match the name listed in Item Number 1 of the application. Label  
3 the document as Exhibit K.

4 **III.**  
5 **Conclusion**

6 The Commissioner finds that, by reason of the foregoing, pursuant to Financial Code section  
7 22714, grounds exist to revoke the California Financing Law license of RD Legal Funding, LLC for  
8 failure to comply with a demand, ruling, or requirement of the Commissioner made pursuant to and  
9 within the authority of the California Financing Law.

10 WHEREFORE, IT IS PRAYED that the California Financing Law license of RD Legal  
11 Funding, LLC be revoked.

12 Dated: December 10, 2021

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

13  
14 By: \_\_\_\_\_  
15 Vanessa T. Lu  
16 Counsel  
17 Enforcement Division  
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