

CLOTHILDE V. HEWLETT  
Commissioner  
MARY ANN SMITH  
Deputy Commissioner  
SEAN M. ROONEY  
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Department of Financial Protection and Innovation  
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Attorneys for Complainant

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

In the Matter of:	)	CFL LICENSE NO.: 603I558
THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,	)	
Complainant,	)	CONSENT ORDER
v.	)	
CHECK INTO CASH OF CALIFORNIA, INC. (d/b/a CHECK INTO CASH),	)	
Respondent.	)	

This Consent Order (Consent Order) is entered into between the Commissioner of Financial Protection and Innovation (Commissioner) and Check into Cash of California, Inc. dba Check into Cash (CIC, and, collectively with the Commissioner, the Parties) and is made with respect to the following facts:

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**I.**

**RECITALS**

A. The Commissioner has jurisdiction over the licensing and regulation of persons engaged in the business of lending under the California Financing Law (Fin. Code, § 22000 et seq.) (CFL).

B. The Commissioner also has jurisdiction over the regulation of persons engaged in offering or providing a consumer financial product or service in California and their affiliated service providers under the California Consumer Financial Protection Law (Fin. Code, § 90000 et seq.) (CCFPL).

C. CIC’s principal place of business is 201 Keith Street SW, Suite 80, Cleveland, Tennessee, 37311.

D. CIC has been licensed to make loans under the CFL since 2011.

E. In March 2021, CIC entered into an agreement with Total Loan Services, LLC (TLS)—an agent of Capital Community Bank, a Utah state-chartered bank (CCBank)—to act as a loan finder and to provide marketing and certain other services for loans made by CCBank. CIC commenced providing those services in California starting on or around April 22, 2021 (Bank Loan Program).

F. On January 1, 2020, Assembly Bill 539, also known as the Fair Access to Credit Act (AB 539) became effective. AB 539 amended the CFL to prohibit licensed lenders from making loans with principal amounts of \$2,500 to less than \$10,000 with interest rates greater than 36% plus the Federal Funds Rate (about 2% during the relevant period).

G. Some loans made to California borrowers under the Bank Loan Program had principal amounts of \$2,500 to less than \$10,000 and were at interest rates that exceeded 36% plus the Federal Funds Rate.

H. On June 17, 2021, the Commissioner requested that CIC provide information relating to CIC’s role in the Bank Loan Program with respect to California borrowers (Inquiry). On August 25, 2021, CIC provided information in response to the Inquiry. While the Inquiry was

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1 pending, in or around December 2021, CIC ceased providing finder and marketing services in  
2 connection with the Bank Loan Program (the Cessation Date).

3 I. Upon reviewing the information provided by CIC, the Commissioner planned to  
4 make a further request for information and documents from CIC.

5 J. Thereafter, the Parties engaged in discussions to resolve the Inquiry without the  
6 necessity of a hearing or other litigation.

7 K. CIC, by entering into this Consent Order, neither admits nor denies that it has  
8 violated any California law or regulation.

9 NOW THEREFORE, in consideration of the foregoing, and the terms and conditions set  
10 forth herein, the Parties agree as follows:

11 **II.**

12 **TERMS AND CONDITIONS**

13 1. Purpose. The Commissioner finds that entering into this Consent Order is in the  
14 public interest and consistent with the purposes fairly intended by the policies and provisions of the  
15 CFL and the CCFPL.

16 2. Cessation of Loan Marketing and Servicing. Absent any change in law or  
17 regulation or any court ruling, CIC will not provide finder services for or market any loans intended  
18 primarily for personal, family and household purposes with loan amounts of less than \$10,000 to  
19 California consumers at an interest rate above 36% plus the Federal Funds Rate in a program  
20 involving a state-chartered bank (Subject Loans) and will not service any Subject Loans originated  
21 after the Cessation Date, in each case for a period of 14 months from the Effective Date.

22 3. Proof of Compliance. CIC acknowledges that the Commissioner may review CIC's  
23 compliance with Paragraph 2 of this Consent Order. CIC agrees to provide, upon the  
24 Commissioner's request, reasonable documentation to the Commissioner to determine compliance  
25 with Paragraph 2.

26 4. Failure to Comply with Order. CIC agrees that, if it fails to comply with  
27 Paragraphs 2 or 3 of this Consent Order, the Commissioner may, following 30 business days' notice  
28 and the provision of an opportunity to meet and confer and in addition to all other available

1 remedies the Commissioner may invoke under the CFL and the CCFPL, summarily suspend the  
2 CFL licenses of CIC until CIC is in compliance.

3 5. Change in Law. The Parties agree to meet and confer if either party believes there  
4 has been a change in law or regulation or court ruling that impacts CIC’s obligations under this  
5 Consent Order.

6 6. Full and Final Resolution. The Parties hereby acknowledge and agree that this  
7 Consent Order is intended to constitute a full, final, and complete resolution of the Inquiry, and that  
8 no further proceedings or actions will be brought by the Commissioner in connection with the  
9 Inquiry under the CFL or any other provision of law, excepting therefrom any proceeding to  
10 enforce compliance with the terms of this Consent Order.

11 7. Commissioner’s Duties. Nothing in this Consent Order limits the Commissioner’s  
12 ability to assist any other government agency with any action brought by that agency (city, county,  
13 state or federal) with any prosecution, administrative, civil, and/or criminal brought by any such  
14 agency against CIC, including an action based on any of the acts, omissions, or events described in  
15 this Consent Order.

16 8. Independent Legal Advice. Each party represents that it has received independent  
17 advice from its counsel or representatives regarding the advisability of executing this Consent  
18 Order.

19 9. Reliance. Each party represents that in executing this Consent Order it has relied  
20 solely on the statements in this Consent Order and on the advice of its counsel or representatives.  
21 Each party also represents that it has not relied on any statement or promise not contained in this  
22 Consent Order from any other person or on the failure of such person to make a statement or  
23 promise. The Parties have included this clause to preclude any claim that a party was fraudulently  
24 induced to execute this Consent Order.

25 10. Integration. This Consent Order is the final written expression and the complete and  
26 exclusive statement of all the agreements, conditions, promises, representations, and covenants  
27 between the Parties concerning its subject matter and supersedes all discussion regarding such  
28 subject matter between the Parties, their representatives, and any other person. The Parties have

1 included this clause to preclude the introduction of parol evidence to vary, interpret, supplement, or  
2 contradict the terms of this Consent Order.

3 11. No Presumption Against Drafting Party. Each party acknowledges that it has had the  
4 opportunity to draft, review, and edit the language of this Consent Order. Accordingly, the Parties  
5 intend that no presumption for or against the drafting party will apply in construing any part of this  
6 Consent Order. The Parties waive the benefit of Civil Code section 1654 as amended or  
7 corresponding provisions of any successor statute, which provide that in cases of uncertainty,  
8 language of a contract should be interpreted most strongly against the party that caused the  
9 uncertainty to exist.

10 12. Waiver, Amendments, and Modifications. No waiver, amendment, or modification  
11 of this Consent Order will be valid or binding unless it is in writing and signed by all Parties  
12 affected by it. Waiver of a provision of this Consent Order will not be deemed a waiver of any  
13 other provision.

14 13. Headings. The headings in this Consent Order are for convenience only and do not  
15 affect its meaning.

16 14. Governing Law. This Consent Order will be governed by and construed in  
17 accordance with the laws of the State of California.

18 15. Authority to Sign. Each party represents that the person signing this Consent Order  
19 on its behalf has the authority and capacity to do so.

20 16. Third Parties. This Consent Order does not create or give rise to any private rights  
21 or remedies against CIC, or any of its past, present, and future predecessors, successors, parents,  
22 subsidiaries and affiliates, and each of their respective partners, employees, agents, attorneys,  
23 officers, directors, shareholders, members, partners, joint venturers, representatives and assigns  
24 (CIC Parties), create any liability for CIC or the CIC Parties, or limit the defenses of CIC or the  
25 CIC Parties for any person or entity not a party to this Consent Order. This Consent Order is a  
26 compromise of disputed claims.

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17. Voluntary Agreement. The Parties enter into this Consent Order voluntarily and without coercion and acknowledges that no promises, threats, or assurances about this Consent Order have been made by the Commissioner or any of her officers or agents.

18. Counterparts. This Consent Order may be executed in any number of counterparts, each of which will be deemed an original when executed. All counterparts together will be deemed to constitute a single document.

19. Signatures. A signature delivered by facsimile or electronic mail will be deemed an original signature.

20. Effective Date. This Consent Order will become effective on the date it is signed by all Parties and delivered by the Commissioner to CIC’s counsel by electronic mail at nthomas@mofo.com.

Dated: November 4, 2022

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner

Dated: November 3, 2022

CHECK INTO CASH OF CALIFORNIA, INC. dba  
CHECK INTO CASH

By: \_\_\_\_\_