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9
10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA

12 In the Matter of:)
)
13 THE COMMISSIONER OF FINANCIAL) CFL LICENSE No.: 60DBO-145490
PROTECTION AND INNOVATION,)
14) **CONSENT ORDER**
15 Complainant.)
)
16 v.)
)
17 ALVVA FINANCIAL, INC.,)
)
18 Respondent.)
19)

20 This Consent Order is entered into between the Commissioner of Financial Protection and
21 Innovation (Complainant or Commissioner) and Respondent Alvva Financial, Inc. (Respondent) and
22 is made with respect to the following facts:

23 **I. RECITALS**

24 A. The Commissioner has jurisdiction over the licensing and regulation of persons and
25 entities engaged in the business of finance lending or brokering under the California Financing Law
26 (CFL) (Fin. Code, §§ 220000 – 22780.1.).¹

27 _____
28 ¹ Cal. Fin. Code §§ 22000 – 22780.1. All subsequent statutory references are to the California
Financial Code unless otherwise specified.

- 1 B. Respondent is a Delaware corporation.
- 2 C. Respondent has a principal place of business at 400 Concar Drive, Suite 03-128, San
3 Mateo, California 94402.
- 4 D. Respondent is licensed as a finance lender under the CFL, with license number
5 60DBO-145490.
- 6 E. In accordance with Financial Code section 22159, CFL licensees must file an annual
7 report with the Commissioner by March 15 of each year (Annual Report).
- 8 F. On January 3, 2023, the Commissioner notified CFL licensees of the deadline of
9 March 15, 2023, to file their annual reports by sending a notice to the email address each CFL
10 licensee must establish for communications from the Commissioner (Designated Email Address)
11 pursuant to the Commissioner’s Order on Electronic Communications, dated November 22, 2013.
12 The notice warned that the Commissioner could assess monetary penalties for untimely filing or
13 failing to file pursuant to Financial Code section 22715(b).
- 14 G. On February 10, 2023, the Commissioner again notified CFL licensees of the
15 deadline to file their annual reports by sending a notice to the Designated Email Address of each
16 CFL licensee. The notice warned that the Commissioner could assess penalties or summarily revoke
17 licenses for untimely filing or failing to file pursuant to Financial Code section 22715.
- 18 H. On March 1, 2023, the Commissioner again notified CFL licensees of the deadline to
19 file their annual reports by sending a notice to the Designated Email Address of each CFL licensee.
20 The notice again warned that the Commissioner could assess penalties or summarily revoke licenses
21 for untimely filing or failing to file pursuant to Financial Code section 22715.
- 22 I. On March 13, 2023, the Commissioner again notified CFL licensees of the deadline
23 to file their annual reports by sending a notice to the Designated Email Address of each CFL
24 licensee. The notice again warned that the Commissioner could assess penalties or summarily revoke
25 licenses for untimely filing or failing to file pursuant to Financial Code section 22715.
- 26 J. On March 14, 2023, the Commissioner again notified CFL licensees of the deadline
27 to file their annual reports by sending a notice to the Designated Email Address of each CFL
28 licensee. The notice again warned that the Commissioner could assess penalties or summarily revoke

1 licenses for untimely filing or failing to file pursuant to Financial Code section 22715.

2 K. On March 15, 2023, the Commissioner again notified CFL licensees of the deadline
3 to file their annual reports by sending a notice to the Designated Email Address each CFL licensee.
4 The notice again warned that the Commissioner could assess penalties and summarily revoke
5 licenses for untimely filing or failing to file pursuant to Financial Code section 22715.

6 L. As of March 16, 2023, Respondent had not filed its Annual Report with the
7 Commissioner. As a result, on March 16, 2023, the Commissioner issued a notice via email to
8 Respondent’s Designated Email Address advising Respondent that it must file its annual report by
9 March 30, 2023, or its license would be summarily revoked pursuant to Financial Code section
10 22715 (Notice Email).

11 M. On March 30, 2023, Respondent attempted to surrender its CFL license, but made a
12 mistake during the surrender process and the request was not formally submitted.

13 N. As of April 10, 2023, Respondent had not filed its Annual Report with the
14 Commissioner. As a result, on April 12, 2023, the Commissioner issued a notice via certified mail to
15 Respondent’s license address on file with the Commissioner advising Respondent that it should file
16 its annual report by or before April 24, 2023, or else its license would be summarily revoked
17 pursuant to Financial Code section 22715 (Notice Letter). Also on April 12, 2023, the Commissioner
18 notified Respondent of the overdue filing through the Nationwide Multistate Licensing System and
19 Registry (NMLS) in the form of an NMLS license item.

20 O. As of April 24, 2023, Respondent had not filed its Annual Report with the
21 Commissioner as directed in the pre-deadline notices, the Notice Email, and the Notice Letter. As a
22 result, on May 3, 2023, the Commissioner issued an Order Summarily Revoking California Finance
23 Lenders License and/or Broker license pursuant to Financial Code Section 22715 for CFL license
24 number 60DBO-145490 (Summary Revocation Order).

25 P. Respondent notified the Commissioner that Respondent was requesting a hearing on
26 the Summary Revocation Order on June 8, 2023.

27 Q. The Commissioner finds that entering into this Consent Order is in the public interest
28 and consistent with the purposes fairly intended by the policies and provisions of the CFL.

1 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
2 forth herein, the parties agree as follows:

3 **II. TERMS AND CONDITIONS**

4 1. Purpose. The parties intend to resolve this matter for the purpose of judicial economy
5 and expediency and without the uncertainty and expense of a hearing or other litigation.

6 2. Order Rescinding Revocation Order. The Commissioner hereby rescinds the
7 Summary Revocation Order.

8 3. License Surrender. Respondent hereby agrees, as a resolution to this matter, to
9 voluntarily surrender its CFL license, which was issued by the Commissioner on or about November
10 15, 2021. No later than seven calendar days after the Effective Date of this Stipulation as defined in
11 paragraph 24, Respondent shall complete all necessary steps to surrender its CFL license to the
12 Commissioner.

13 4. Waiver of Notice and Hearing Rights. Respondent acknowledges the Commissioner
14 is ready, willing, and able to proceed with a hearing on the Summary Revocation Order on the
15 charges contained in this Consent Order. Respondent hereby waives the right to any hearings, and to
16 any reconsideration, appeal, or other right to review which may be afforded pursuant to the CFL, the
17 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
18 provision of law. Respondent further expressly waives any requirement for the filing of an
19 Accusation pursuant to Government section 11415.60, subdivision (b). By waiving such rights,
20 Respondent effectively consents to this Consent Order and the Order Rescinding Revocation Order
21 becoming final.

22 5. Full and Final Resolution. The parties hereby acknowledge and agree that this
23 Consent Order is intended to constitute a full and final resolution of the violations described herein,
24 and that no further proceedings or actions will be brought by the Commissioner in connection with
25 these matters except under the CFL or any other provision of law, or excepting therefrom any
26 proceeding to enforce compliance with the terms of this Consent Order.

27 6. Failure to Comply with Consent Order. Respondent agrees that if it fails to comply
28 with the terms of this Consent Order, the Commissioner may, in addition to all other available

1 remedies it may invoke under the CFL, summarily suspend/revoke the CFL license of Respondent
2 until Respondent is in compliance. Respondent waives any notice and hearing rights to contest such
3 summary suspensions/revocations which may be afforded under the CFL, the California
4 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
5 in connection therewith.

6 7. Information Willfully Withheld or Misrepresented. This Consent Order may be
7 revoked, and the Commissioner may pursue any and all remedies available under law against
8 Respondent if the Commissioner discovers that Respondent knowingly or willfully withheld or
9 misrepresented information used for and relied upon in this Consent Order.

10 8. Future Actions by Commissioner. If Respondent fails to comply with the terms of the
11 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise
12 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions
13 against Respondent, or any of its partners, owners, officers, shareholders, directors, employees, or
14 successors for any and all unknown violations of this CFL.

15 9. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner's
16 ability to assist any other government agency (city, county, state or federal) with any prosecution,
17 administrative, civil or criminal action brought by that agency against Respondent or any other
18 person based on any of the activities alleged in this matter or otherwise.

19 10. No Presumption Against Drafter. Each party acknowledges that it has had the
20 opportunity to draft, review, and edit the language of this Consent Order. Accordingly, the parties
21 intend no presumption for or against the drafting party will apply in construing any part of this
22 Consent Order. The parties waive the benefit of Civil Code section 1654 as amended or
23 corresponding provisions of any successor statute, which provide that in cases of uncertainty,
24 language of a contract should be interpreted most strongly against the party who caused the
25 uncertainty to exist.

26 11. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
27 has had the opportunity to receive independent advice from an attorney(s) and/or representatives
28 with respect to the advisability of executing this Consent Order.

1 12. Headings. The headings to the paragraphs of this Consent Order are inserted for
2 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
3 the provisions hereof.

4 13. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
5 interest.

6 14. Reliance. Each of the parties represents, warrants, and agrees that in executing this
7 Consent Order, it has relied solely on the statements set forth herein and the advice of its own legal
8 counsel, if represented. Each of the parties further represents, warrants, and agrees that in executing
9 this Consent Order it has placed no reliance on any statement, representation, or promise of any
10 other party, or any other person or entity not expressly set forth herein, or upon the failure of any
11 party or any other person or entity to make any statement, representation, or disclosure of anything
12 whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in
13 any way fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of
14 parol evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

15 15. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
16 this Consent Order will be valid or binding unless it is in writing and signed by each of the parties.
17 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
18 provision. No waiver by either party of any breach of, or of compliance with, any condition or
19 provision of this Consent Order by the other party will be considered a waiver of any other condition
20 or provision or of the same condition or provision at another time.

21 16. Full Integration. This Consent Order is the final written expression and the complete
22 and exclusive statement of all the agreements, conditions, promises, representations, and covenants
23 between the parties with respect to the subject matter hereof, and supersedes all prior or
24 contemporaneous agreements, negotiations, representations, understandings, and discussions
25 between and among the parties, their respective representatives, and any other person or entity, with
26 respect to the subject matter covered hereby.

27 17. Governing Law. This Consent Order will be governed by and construed in
28 accordance with California law. Each of the parties hereto consents to the jurisdiction of such court

1 and thereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
2 forum to the maintenance of such action or proceeding in such court.

3 18. Counterparts. This Consent Order may be executed in one or more separate
4 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
5 together constitute a single document.

6 19. Effect Upon Future Proceedings. If Respondent applies for any license, permit or
7 qualification under the Commissioner’s current jurisdiction, or are the subject of any future action by
8 the Commissioner to enforce this Consent Order, then the subject matter hereof shall be admitted for
9 the purpose of such application(s) or enforcement proceeding(s).

10 20. Voluntary Agreement. Respondent hereby enters into this Consent Order voluntarily
11 and without coercion and acknowledges that no promises, threats, or assurances have been made by
12 the Commissioner or any officer, or agent thereof, about this Consent Order. The parties each
13 represent and acknowledge that he, she or it is executing this Consent Order completely voluntarily
14 and without any duress or undue influence of any kind from any source.

15 21. Notice. Any notice required under this Consent Order shall be provided to each party
16 at the following addresses:

17 To Respondent: Alvva Financial, Inc.
18 Robert Graham
19 400 Concar Drive, Suite 03-128
20 San Mateo, California 94402
sergio@alvva.co

21 To the Commissioner: Ryan M. Cassidy, Counsel
22 Department of Financial Protection and Innovation
23 2101 Arena Blvd
24 Sacramento, California 95691
Ryan.Cassidy@dfpi.ca.gov

25 22. Signatures. A fax or electronic mail signature shall be deemed the same as an
26 original signature.

27 23. Public Record. Respondent hereby acknowledges that the Consent Order is and will
28 be a matter of public record.

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24. Effective Date. This Consent Order shall become final and effective when signed by all parties and delivered by the Commissioner’s agent via e-mail to Respondent at the following email address: sergio@alvva.co.

25. Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Consent Order and undertake the obligations set forth herein.

Dated: June 27, 2023
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: June 19, 2023

Alvva Financial, Inc.

By _____
Sergio Torres, CEO