

1 CLOTHILDE V. HEWLETT  
Commissioner  
2 MARY ANN SMITH  
Deputy Commissioner  
3 DANIEL P. O'DONNELL  
Assistant Chief Counsel  
4 NOAH M. BEAN (State Bar No. 257657)  
Senior Counsel  
5 Department of Financial Protection and Innovation  
2101 Arena Blvd.  
6 Sacramento, California 95834  
Telephone: (916) 936-7478  
7 Facsimile: (916) 928-7929

8 Attorneys for Complainant

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

12 In the Matter of: )  
13 )  
14 THE COMMISSIONER OF FINANCIAL ) CFL LICENSE Nos.: 60DBO-114688  
PROTECTION AND INNOVATION, ) 60DBO-114689  
15 ) 60DBO-114690  
16 Complainant. ) 60DBO-114691  
17 )  
18 v. ) **CONSENT ORDER**  
19 )  
20 PCCP PATRIOT DEBT VENTURE I, LLC, )  
FKA PCCP CAPITAL XXIV, LLC, )  
21 )  
22 Respondent. )  
23 )

24 This Consent Order is entered into between the Commissioner of Financial Protection and  
25 Innovation (Complainant or Commissioner) and Respondent PCCP PATRIOT DEBT VENTURE I,  
26 LLC, FKA PCCP CAPITAL XXIV, LLC (Respondent) and is made with respect to the following  
27 facts:

28 ///

///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**I.**  
**RECITALS**

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

B. Respondent is a Delaware limited liability company.

C. Respondent has a principal place of business at 10100 Santa Monica Boulevard, Suite 1000, Los Angeles, CA 90067.

D. Respondent is licensed as a finance lender under the California Financing Law (CFL) (Fin. Code, § 22000, et seq.) with license numbers 60DBO-114688, 60DBO-114689, 60DBO-114690, and 60DBO-114691.

E. Under Financial Code section 22150, Complainant may make general rules and regulations and specific rulings, demands, and findings for the enforcement of, and within the general purposes of, the CFL.

F. Pursuant to a Commissioner’s Order on Electronic Communications, dated November 22, 2013, each CFL licensee must establish an email address for communications from the Commissioner (Designated Email Address).

G. Under California Code of Regulations, Title 10, Section 1422.4 (Regulation 1422.4), which went into effect on October 1, 2021, all CFL licensees were required to transition to the Nationwide Multistate Licensing System and Registry (NMLS) by December 31, 2021. On December 16, 2021, Complainant extended the deadline to transition to NMLS to March 15, 2022. On March 7, 2022, Complainant again extended the deadline to transition to NMLS to March 31, 2022.

H. Complainant provided notice of this requirement to Respondent – via email to the Designated Email Address of each CFL licensee on July 20, 2021, September 16, 2021, October 14, 2021, November 8, 2021, and December 16, 2021. Complainant also provided notice via email to

<sup>1</sup> Cal. Fin. Code § 22000, *et seq.* All subsequent statutory references are to the California Financial Code unless otherwise specified.

1 each CFL licensee that had not yet transitioned to NMLS, including Respondent, on March 7, 2022,  
2 and again via email and mail on March 28, 2022. Complainant provided further notice of this  
3 requirement over the telephone – Complainant made at least two calls to the designated telephone  
4 number provided by each CFL licensee, including Respondent – between February 1 and March 15,  
5 2022.

6 I. Complainant determined that Respondent was in violation of Regulation 1422.4 and  
7 had not transitioned management of its CFL licenses to NMLS as of July 29, 2022. Accordingly,  
8 Complainant issued a Citation on that date pursuant to Financial Code section 22707.5, subdivision  
9 (a). The Citation included an order to correct the violation and an order to pay an administrative fine  
10 in the amount of \$2,500.00 to the Commissioner by September 27, 2022.

11 J. Complainant served the Citation on Respondent via certified mail on July 29, 2022.

12 K. As of May 1, 2023, Respondent had neither complied with the order to correct the  
13 violation by transitioning each of its licenses to NMLS nor paid the administrative fine.

14 L. On May 1, 2023, the Commissioner issued an Accusation in Support of Order  
15 Revoking Licenses Pursuant to Financial Code Section 22714.

16 M. On May 3, 2023, the Commissioner served the Accusation on Respondent via  
17 certified mail and by electronic mail at Respondent’s Designated Email Address.

18 N. On May 30, 2023, Respondent requested transition of its license to NMLS.

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

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

23 **II.**

24 **TERMS AND CONDITIONS**

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

27 2. Order Rescinding Accusation. The Commissioner hereby rescinds the Accusation  
28 which had been issued on May 1, 2023 (Accusation).

1           3.       Desist and Refrain Order. Pursuant to Financial Code section 22712, Respondent is  
2 hereby ordered to desist and refrain from violating the CFL, including without limitation Code of  
3 Regulations, title 10, section 1422.4.

4           4.       Administrative Penalty. Respondent shall pay an administrative penalty of \$2,500.00  
5 no later than June 9, 2023. The penalty must be made payable in the form of a check, cashier’s  
6 check, or Automated Clearing House deposit to the Department of Financial Protection and  
7 Innovation and transmitted to the attention of Accounting – Litigation, Department of Financial  
8 Protection and Innovation, 2101 Arena Boulevard, Sacramento, California 95834. Notice of the  
9 payment must be concurrently sent to Noah M. Bean, Senior Counsel, Department of Financial  
10 Protection and Innovation, 2101 Arena Boulevard, Sacramento, California  
11 95834/Noah.Bean@dfpi.ca.gov.

12           5.       Failure to Pay Administrative Penalty. If Respondent fails to comply with paragraph  
13 4, the Commissioner may summarily revoke Respondent’s licenses.

14           6.       Waiver of Notice and Hearing Rights. Respondent acknowledges the Commissioner  
15 is ready, willing, and able to proceed with the Accusation. Respondent hereby waives the right to  
16 any notice or hearings, and to any reconsideration, appeal, or other right to review which may be  
17 afforded pursuant to the CFL, the California Administrative Procedure Act, the California Code of  
18 Civil Procedure, or any other provision of law. By waiving such rights, Respondent effectively  
19 consents to this Consent Order becoming final.

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

25           8.       Failure to Comply with Consent Order. Respondent agrees that if it fails to comply  
26 with the terms of this Consent Order, the Commissioner may, in addition to all other available  
27 remedies it may invoke under the CFL, summarily revoke the CFL licenses of Respondent.  
28 Respondent waives any notice and hearing rights to contest such summary revocation which may be

1 afforded under the CFL, the California Administrative Procedure Act, the California Code of Civil  
2 Procedure, or any other provision of law in connection therewith.

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

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

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

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

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

26 14. Headings. The headings to the paragraphs of this Consent Order are inserted for  
27 convenience only and will not be deemed a part hereof or affect the construction or interpretation of  
28 the provisions hereof.

1           15.    Binding. This Consent Order is binding on all heirs, assigns, and/or successors in  
2 interest.

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

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

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

24           19.    Governing Law. This Consent Order will be governed by and construed in  
25 accordance with California law. Each of the parties hereto consents to the jurisdiction of such court  
26 and thereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient  
27 forum to the maintenance of such action or proceeding in such court.

28

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

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

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

13           23.    Notice. Any notice required under this Consent Order shall be provided to each party  
14 at the following addresses:

15 To Respondent:                                   PCCP, LLC, managing member of PCCP PATRIOT DEBT  
16    VENTURE I, LLC, FKA PCCP CAPITAL XXIV, LLC  
17    Norma Cabrera  
18    10100 Santa Monica Boulevard, Suite 1000  
19    Los Angeles, California 90067  
20    Ncabrera@pccpllc.com

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

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

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

26. 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: Ncabrera@pccpllc.com.

27. 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 6, 2023  
Sacramento, California

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation



By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division

Dated: June 1, 2023

PCCP, LLC, managing member of PCCP PATRIOT DEBT VENTURE I, LLC, FKA PCCP CAPITAL XXIV, LLC

By \_\_\_\_\_  
Stephen Paul Towle, Treasurer