

1 CLOTHILDE V. HEWLETT  
Commissioner  
2 MARY ANN SMITH  
Deputy Commissioner  
3 DANIEL O'DONNELL  
Assistant Chief Counsel  
4 NOAH M. BEAN (State Bar No. 257657)  
Senior Counsel  
5 Department of Financial Protection and Innovation  
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6 Sacramento, California 95834  
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7

8 Attorneys for Complainant

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

11 In the Matter of:

12 )  
13 THE COMMISSIONER OF FINANCIAL )  
PROTECTION AND INNOVATION, )

14 ) CONSENT ORDER

15 Complainant,

16 v.

17 RIVA DCM LLC, and JAMES )  
CASTELLANOS, )

18 Respondents. )  
19 )

20  
21 This Consent Order is entered into by and between the Commissioner of Financial Protection  
22 and Innovation (Commissioner) and RIVA DCM LLC (RIVA), and is made with respect to the  
23 following facts:

24 **I.**

25 **Recitals**

26 A. The Department of Financial Protection and Innovation (Department), through the  
27 Commissioner, has jurisdiction over the licensing and regulation of persons and entities engaged in  
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1 the business of lending and/or brokering pursuant to the California Financing Law (Fin. Code §  
2 22000 et seq.) (CFL).

3 B. RIVA purports to be a limited liability company. On or about March 16, 2022, RIVA  
4 applied for a finance lender license with the Department (Application).

5 C. At all relevant times, James Rudolph Castellanos (Castellanos), is and was the Chief  
6 Executive Officer of RIVA.

7 D. On September 12, 2022, the Commissioner served RIVA with the following  
8 documents: (1) Notice of Intention to Issue Order Denying the California Finance Lender License  
9 Application Pursuant to Financial Code section 22109, (2) Statement of Issues in Support of Denial  
10 of California Financing Law License Application Pursuant to Financial Code section 22109  
11 (Statement of Issues), (3) Statement to Respondent, (4) Notice of Defense, and (5) Government Code  
12 Section 11507.5, 11057.6, 11507.7.

13 E. After issuance of the Statement of Issues, RIVA submitted a Notice of Defense to the  
14 Commissioner requesting an administrative hearing on the allegations set forth in the Statement of  
15 Issues, and waived a priority hearing.

16 F. It is the intention of RIVA and the Commissioner (the Parties) to resolve the  
17 Statement of Issues without the necessity of a hearing.

18 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions  
19 contained herein, the Parties agree as follows:

20 **II.**

21 **Terms and Conditions**

22 1. Purpose. This Consent Order resolves the Statement of Issues in a manner that  
23 avoids the expense of a hearing and other possible court proceedings, protects consumers, is in the  
24 public interest, and is consistent with the purposes, policies, and provisions of the CFL.

25 2. Waiver of Hearing Rights. RIVA acknowledges that the Commissioner is ready,  
26 willing, and able to proceed with the administrative enforcement action described in Paragraphs A  
27 through E above. RIVA waives their rights to a hearing, and to any reconsideration, appeal or other  
28 right to review which may be afforded by the CFL, the California Administrative Procedure Act, the

1 California Code of Civil Procedure, or any other provision of law in connection herewith. By  
2 waiving such rights, RIVA effectively consents to this Consent Order becoming final.

3 3. Conditions Subject to Revocation. RIVA agrees that, if the Department in the future  
4 grants its application for a CFL license, that application and/or resulting license will be subject to the  
5 conditions that for a 36-month period from the date of licensure, should the Commissioner make a  
6 finding that RIVA has violated or is violating any provision of the CFL, or any rule, regulation, or  
7 law under the jurisdiction of the Commissioner, the state of California, the United States of America,  
8 and every state and foreign government (and political subdivision thereof), the Commissioner may, in  
9 her discretion, automatically revoke any license held by or deny any pending application(s) of RIVA.  
10 RIVA hereby waives any notice and hearing rights to contest such revocation or denial(s) which may  
11 be afforded him under the CFL, APA, CCP, or any other provision of law in connection with this  
12 matter. RIVA further expressly waives any requirement for the filing of an accusation under  
13 Government Code section 11415.60, subdivision (b), in connection with the Commissioner’s  
14 revocation of its license under this paragraph.

15 4. CFL Application Withdrawal. RIVA agrees to withdraw its CFL Application within  
16 90 days. RIVA acknowledges that a failure to withdraw the Application within 90 days of the  
17 effective date of this Consent Order will result in the Application being considered withdrawn within  
18 the meaning of Financial Code section 22109, subdivision (b).

19 5. Additional Conditions. RIVA agrees that in any future CFL applications, RIVA shall  
20 not employ Castellanos in any capacity, nor shall Castellanos have any ownership interest in RIVA or  
21 engage in any business activity on the premises of RIVA or any RIVA affiliate.

22 6. Full and Final Settlement. The Parties hereby acknowledge and agree that this Consent  
23 Order is intended to constitute a full, final, and complete resolution of the allegation set forth in the  
24 Statement of Issues, and that no further proceedings or actions will be brought by the Commissioner  
25 in connection with the Statement of Issues and Notice of Intent to Bar under the CFL or any other  
26 provision of law, excepting therefrom any proceeding to enforce compliance with the terms of this  
27 Consent Order.

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1           7.       Failure to Comply with Consent Order. RIVA agrees that if it fails to comply with the  
2 terms of this Consent Order, the Commissioner may, in addition to all other available remedies it may  
3 invoke under the CFL, summarily suspend or revoke any licenses held by RIVA under the  
4 Commissioner’s jurisdiction until RIVA is in compliance. RIVA waives any notice and hearing  
5 rights to contest such summary suspensions which may be afforded under the CFL, the California  
6 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law  
7 in connection therewith.

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

12           9.       Future Actions by Commissioner. If RIVA fails to comply with any terms of this  
13 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise  
14 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions  
15 against RIVA for any and all unknown violations of the CFL.

16           10.      Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s  
17 ability to assist any other government agency (city, county, state, or federal) with any administrative,  
18 civil or criminal prosecutions brought by that agency against RIVA or any other person based upon  
19 any of the activities alleged in this matter or otherwise.

20           11.      Headings. The headings to the paragraphs of this Consent Order are for convenience  
21 only and will not be deemed a part hereof or affect the construction or interpretation of the provisions  
22 hereof.

23           12.      Reliance. Each of the Parties represents, warrants, and agrees that in executing this  
24 Consent Order it has relied solely on the statements set forth herein and the advice of its own counsel.  
25 Each of the Parties further represents, warrants, and agrees that in executing this Consent Order it has  
26 placed no reliance on any statement, representation, or promise of any other party, or any other  
27 person or entity not expressly set forth herein, or upon the failure of any party or any other person or  
28 entity to make any statement, representation or disclosure of anything whatsoever. The Parties have

1 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to  
2 execute this Consent Order; and (2) to preclude the introduction of parol evidence to vary, interpret,  
3 supplement, or contradict the terms of this Consent Order.

4 13. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of  
5 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.  
6 The waiver of any provision of this Consent Order will not be deemed a waiver of any other  
7 provision. No waiver by either party of any breach of, or of compliance with, any condition or  
8 provision of this Consent Order by the other party will be considered a waiver of any other condition  
9 or provision or of the same condition or provision at another time.

10 14. Full Integration. This Consent Order is the final written expression and the complete  
11 and exclusive statement of all the agreements, conditions, promises, representations, and covenants  
12 between the Parties with respect to the subject matter hereof, and supersedes all prior or  
13 contemporaneous agreements, negotiations, representations, understandings, and discussions between  
14 and among the Parties, their respective representatives, and any other person or entity, with respect to  
15 the subject matter covered hereby.

16 15. Governing Law. This Consent Order will be governed by and construed in accordance  
17 with California law. Each of the Parties hereto consents to the jurisdiction of such court, and hereby  
18 irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the  
19 maintenance of such action or proceeding in such court.

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

23 17. Mandatory Disclosure in Future Applications. RIVA agrees to disclose this Consent  
24 Order in any application for a license, permit or qualification under the Commissioner's current or  
25 future jurisdiction.

26 18. Effect Upon Future Proceedings. If RIVA is the subject of any future action by the  
27 Commissioner to enforce this Consent Order, then the subject matter hereof shall be admitted for the  
28 purpose of such action.

1           19.     Voluntary Agreement. RIVA enters into this Consent Order voluntarily and without  
 2 coercion and acknowledges that no promises, threats or assurances have been made by the  
 3 Commissioner or any officer, or agent thereof, about this Consent Order. The Parties each represent  
 4 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and  
 5 without any duress or undue influence of any kind from any source.

6           20.     Notice. Any notice/report required under this Consent Order shall be addressed as  
 7 follows:

8           To RIVA:	Ginger Sotelo, Esq. Pahl & McCay, a Professional Law Corporation 225 West Santa Clara St., Suite 1500 San Jose, CA 95113 gsotelo@pahl-mccay.com
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12          To the Commissioner:	Noah M. Bean Senior Counsel Department of Financial Protection and Innovation 2101 Arena Blvd Sacramento, California 95834 Noah.Bean@dfpi.ca.gov
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17          21.     Signatures. A fax or electronic mail signature shall be deemed the same as an original  
 18 signature.

19          22.     Public Record. RIVA hereby acknowledges that this Consent Order is and will be a  
 20 matter of public record.

21          23.     Effective Date. This Consent Order shall become final and effective when signed by  
 22 all Parties and delivered by the Commissioner’s counsel via e-mail to RIVA at gsotelo@pahl-  
 23 mccay.com.

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

4 Dated: June 5, 2023

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

6 By \_\_\_\_\_  
7 MARY ANN SMITH  
8 Deputy Commissioner

9 Dated: May 27, 2023

10 By \_\_\_\_\_  
11 ANTHONY CORDOVA  
12 CEO/COO, RIVA DCM LLC  
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