1	STATE OF CALIFORNIA
2	BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
3	DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
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6	To: Hodge American Bank https://hodgeamericanonline.com/
7	https://hodgeamerica.com/ https://hodgegroups.com/
8	https://hougegroups.com/
9	AMENDED CEASE AND DESIST ORDER
10	(For violations of Financial Code section 560, 561, 562)
11	The Commissioner of Financial Protection and Innovation (Commissioner) finds that:
12	1. At all relevant times, Hodge American Bank is a business entity of unknown form
13	that purports to have branches in Michigan and California.
14	2. At all relevant times, Hodge American Bank maintains websites at
15	https://hodgeamericanonline.com/, https://hodgeamerica.com/, and at https://hodgegroups.com/.
16	The "Contact Us" page of the websites invites consumers to contact the company by telephone or
17	text at (407) 720-7404, or by email at support@hodgeamerican.com, support@hodgeamerica.com,
18	and at support@hodgegroups.com
19 20	3. The Hodge American Bank websites advertise services normally offered by banks,
20	such as checking accounts, savings accounts, online banking, and investment services.
21	4. The Hodge American Bank websites also include the following statements:
22	a. Under the "About Hodge American" tab, "Hodge American Bank offers a wide array
23	of financial products including commercial banking, Small Business Administration
24	loans, consumer loans, mortgages, home equity lines and loans, debit cards, credit
25 26	cards, financial counseling, and insurance, all designed to fit our customers' lives and
26	help them reach their financial goals."
27	b. Under the "Business" tab, "Ideal for a growing business with basic banking needs."
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State of California – Department of Financial Protection and Innovation

 c. On the Home page, "Equal Opportunity Lender. Equal Housing Lender – we do business in accordance with the Fair Housing Act and Equal Credit Opportunity Act. NMLS #471976."

5. The Hodge American Bank websites list an NMLS number in a manner suggesting that the number is Hodge American Bank's NMLS Unique Identifier. However, the NMLS number provided does not exist and has not been assigned my NMLS.

6. The Commissioner has jurisdiction over banking and is responsible for enforcing provisions of the Financial Code, commencing at section 550 and following.

7. Financial Code section 560 provides: "No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall solicit or receive deposits, issue certificate of deposits with or without provision for interest, make payments on checks, or transact business in the way or manner of a bank or trust company."

8. Financial Code section 561 provides: "No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall . . . make use of or circulate any letterheads, billheads, blank notes, blank receipts, certificates, or circulars, or any written or printed paper, whatever, having thereon any artificial or corporate name or other words indicating that the business is the business of a bank or trust company, or transact business in a way or manner as to lead the public to believe that its business is that of a bank or trust company, except to the extent expressly authorized by this division."

9. Financial Code section 562 provides: "No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall transact business under any name or title that contains the word 'bank' or 'banker' or 'banking' . . . or act or advertise in any manner that indicates that the business is the business of a bank"

10. The Commissioner has not issued Hodge American Bank a certificate authorizing it
to engage in the banking business in this state or to transact business under any name or title that
contains the words "bank."

27 11. Pursuant to Financial Code section 567, "If the commissioner finds that a person has
28 conducted, or that there is reasonable cause to believe that a person is about to conduct, business

that requires a license issued by the commissioner and that person has not been issued the required license, the commissioner may, without any prior notice or hearing, order the person to cease and desist from conducting any unauthorized business unless and until the person is issued a license to engage in appropriate license business."

Based on the foregoing findings, the Commissioner is of the opinion that Hodge American Bank has engaged in the business of soliciting or receiving deposits or transacted business in the way or manner of a bank, without first obtaining a certificate from the Commissioner authorizing it to engage in the banking business in this state, in violation of Financial Code section 560.

The Commissioner is further of the opinion that Hodge American Bank has made use of or circulated written words indicating that its business is the business of a bank, or has transacted business in a way or manner as to lead the public to believe that its business is that of a bank, without first obtaining a certificate from the Commissioner authorizing it to engage in the banking business in this state, in violation of Financial Code section 561.

The Commissioner is further of the opinion that Hodge American Bank transacted business under a name that contains the word "bank" or acted or advertised in a manner that indicates its business is the business of a bank, without first obtaining a certificate from the Commissioner authorizing it to engage in the banking business in this state, in violation of Financial Code section 562.

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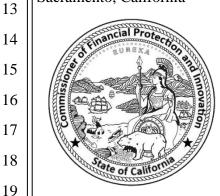
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<u>3</u> AMENDED CEASE AND DESIST ORDER Pursuant to Finance Code section 567, Hodge American Bank is hereby ordered to cease and desist from engaging in the business of soliciting or receiving deposits or transacting business in the way or manner of a bank and/or making use of or circulating written words indicating that its business is the business of a bank, or transacting business in a way or manner as to lead the public to believe that its business is that of a bank, and/or transacting business under a name that contains the word "bank" or acting or advertising in a manner that indicates that its business is the business of a bank, without first obtaining a certificate from the Commissioner authorizing it to engage in the banking business in this state, or otherwise being exempt.

This Order is necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies and provision of the California Financial Institutions Law.

Dated: July 3, 2023 Sacramento, California



CLOTHILDE V. HEWLETT Commissioner of Financial Protection and Innovation

By_

MARY ANN SMITH Deputy Commissioner Enforcement Division

AMENDED CEASE AND DESIST ORDER