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Commissioner
MARY ANN SMITH
Deputy Commissioner
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BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

In the matter of:) CFL LICENSE NO.: 60DBO-113301
)
THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,)
) ACCUSATION IN SUPPORT OF
Complainant,) REVOCATION OF CALIFORNIA
) FINANCING LAW LICENSE
v.)
)
SYNAPSE CREDIT LLC,)
)
Respondent.)

The Commissioner of Financial Protection and Innovation (Commissioner) is informed and believes, and based upon such information and belief, alleges and charges Synapse Credit LLC as follows:

I.

INTRODUCTION

1. 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.).

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1 2. Synapse Credit LLC (Synapse) is a limited liability company, with a principal place
2 of business at 101 Second Street, Suite 525, San Francisco, California 94105.

3 3. On or around September 28, 2020, the Commissioner issued CFL license number
4 60DBO-113301 to Synapse. Synapse is licensed as a finance lender pursuant to the CFL.

5 **II.**

6 **2024 Regulatory Exam**

7 4. On May 21, 2024, the Commissioner commenced a regulatory examination of the
8 books and records of Synapse (Regulatory Examination). The Regulatory Examination has not yet
9 been concluded because Synapse has failed to provide the requested documentation, as further
10 described below.

11 5. In furtherance of the Regulatory Examination, on May 21, 2024, the Department of
12 Financial Protection and Innovation (DFPI) sent Synapse a letter demanding it provide information
13 and documents related to the Regulatory Examination, with a deadline of June 4, 2024 (Demand
14 Letter). The Demand Letter was sent to the email address Synapse provided to the DFPI for
15 communication purposes: loans@synapsefi.com (Synapse Email Address).

16 6. The deadline of June 4, 2024, lapsed without any response from Synapse to the
17 Demand Letter.

18 7. On June 5, 2024, the DFPI telephoned Jillana Downing (Downing), the Chief
19 Compliance Officer and Primary Company Contact for Synapse. Downing was informed that the
20 DFPI would provide Synapse with an additional five business days to comply with the Demand
21 Letter and to turn over the information requested therein. Downing was also informed that failure
22 to comply with the requirements of the Demand Letter by June 10, 2024, shall constitute grounds
23 to suspend or revoke Synapse's California Financing Law license. An email memorializing the
24 foregoing information, including the June 10, 2024 deadline and the possible consequences for
25 failing to comply, was subsequently sent to Downing at the Synapse Email Address.

26 8. As of the date hereof, Synapse has failed to provide any of the information or
27 documents requested in the Demand Letter.

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III.

APPLICABLE LAW

9. Financial Code section 22709 provides:

The commissioner may require the production for examination in this state of all books, records, and supporting data used by the licensee in the preparation of reports to the commissioner. The books, records, and supporting data shall be made available for examination by the commissioner in this state within 10 days after a written demand.

10. Financial Code section 22714 provides, in pertinent part:

(a) The commissioner shall suspend or revoke any license, upon notice and reasonable opportunity to be heard, if the commissioner finds any of the following:

(1) The licensee has failed to comply with any demand, ruling, or requirement of the commissioner made pursuant to and within the authority of this division.

IV.

PRAYER

11. By failing to provide the books and records demanded by the Commissioner, Synapse has failed to comply with a demand, ruling, or requirement of the Commissioner made pursuant to and within the authority of the CFL.

12. WHEREFORE, IT IS PRAYED under the authority of Financial Code section 22714 that Respondent Synapse Credit LLC's California Financing Law license be revoked.

Dated: June 12, 2024

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By: _____
Melissa A. Acevedo
Counsel
Enforcement Division