



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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DFPI Revokes Finance Lending License of Synapse Credit LLC

SACRAMENTO — The California Department of Financial Protection and Innovation (DFPI) announced it has issued an [order revoking](#) the California Financing Law license of Synapse Credit LLC (Synapse Credit), a subsidiary of the self-described “Banking as a Service” company Synapse Financial Technologies, Inc. Synapse Financial Technologies, Inc. filed for Chapter 11 bankruptcy protection in April 2024, setting in motion a chain of events that left thousands of consumers without access to their funds.

“Financial technology innovation has the potential to provide access to financial services for millions of Americans,” said DFPI Commissioner Clothilde V. Hewlett. “But successful innovation requires responsibility and transparency. This action is just one example of the DFPI’s steadfast commitment to protecting consumers and encouraging a trusted financial marketplace.”

Synapse Credit is a finance lending company based in San Francisco that offers loans to individuals and businesses. After the bankruptcy filing of its parent company, the DFPI commenced a regulatory examination of Synapse Credit. As part of that regulatory examination, the DFPI sought books and records, reports, and other data used by the company, to assess whether it was operating in conformity with the California Financing Law. Despite multiple requests, no documents were provided.

Synapse Credit’s failure to provide the requested information prevented the DFPI from conducting its regulatory examination and ensuring that the company was complying with the California Financing Law. As a result of the revocation order, Synapse Credit is no longer permitted to engage in the business of finance lending in the State of California.

The DFPI continues to monitor the impact of the bankruptcy of Synapse Financial Technologies, Inc.

About DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at dfpi.ca.gov.

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