PRESTON DUFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER (CA BAR NO. 86717)
Deputy Commissioner
Department of Corporations
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Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. PAWN ZONE CORP dba CASH NET PLUS Respondent.	Case No.: 100-3789 ACCUSATION

The Complainant is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

I

Respondent Pawn Zone Corp dba Cash Net Plus ("Pawn Zone") is a deferred deposit transaction originator licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California Deferred Deposit Transaction Law (California Financial Code § 23000 et seq.) ("CDDTL"). Pawn Zone is a corporation authorized to conduct business in this state with its principal place of business at 7653 Pacific Blvd., #B, Walnut, CA 90255.

Pursuant to California Financial Code section 23013, all CDDTL licensees are required to maintain a surety bond in the minimum amount of $25,000.00. The surety bond of Pawn Zone

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expired on November 10, 2009. On or about November 16, 2009, the Commissioner notified Pawn Zone by certified mail, return receipt requested that a replacement surety bond had to be filed immediately, but no later than the expiration date to avoid suspension or revocation of its CDDTL license. The notification was delivered to Pawn Zone on or about November 17, 2010.

Pawn Zone has not obtained a replacement surety bond in violation of California Financial Code section 23013.

III

California Financial Code section 23013 provides in pertinent part:

> A licensee shall maintain a surety bond in accordance with this subdivision in the amount of twenty-five thousand dollars ($25,000). The bond shall be payable to the commissioner and issued by an insurer authorized to do business in this state. A copy of the bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be filed with the commissioner for review and approval within 10 days of execution. For licensees with multiple licensed locations, only one surety bond in the amount of twenty-five thousand dollars ($25,000) is required. The bond shall be used for the recovery of expenses, fines, and fees levied by the commissioner in accordance with this division or for losses or damages incurred by consumers as the result of a licensee's noncompliance with the requirements of this division.

California Financial Code section 23052 provides in pertinent part:

> The commissioner may suspend or revoke any license, upon notice and reasonable opportunity to be heard, if the commissioner finds any of the following:
>
> (a) 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.
>
> (b) The licensee has violated any provision of this division or any rule or regulation made by the commissioner under and within the authority of this division.
>
> (c) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

IV

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The Commissioner finds that, by reason of the foregoing, Pawn Zone has violated California Financial Code section 23013, and based thereon, grounds exist to revoke the deferred deposit transaction license of Pawn Zone.

WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of Pawn Zone Corp. dba Cash Net Plus be revoked.

Los Angeles, California
Dated: February 1, 2010

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
Steven C. Thompson
Special Administrator

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