

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: mycashnow.com
2071425 Marine Drive
West Vancouver, B.C., CANADA V7T1B9

DESIST AND REFRAIN ORDER
(For violation of sections 23005(a), 23035(a), 23036(a), 23036(b), 23036(c), 23036(f), and
20307(f) of the California Financial Code)

The California Corporations Commissioner finds that:

1. At all relevant times, mycashnow.com is a business entity located in West Vancouver, British Columbia, Canada with its principle place of business conducted in, on and through the computer Internet in California at mycashnow.com.
2. Beginning in or about January 2003 to present, mycashnow.com engaged in transactions and/or the business of providing cash advance loans by deferring the deposit of a customer’s personal check until a specific date (herein “Deferred Deposit Transactions” or “Loans”), by way of the internet in California.
3. Beginning in or about January 2003 to present, mycashnow.com made Deferred Deposit Transactions, arranged a Deferred Deposit Transaction for a deferred deposit originator, acted as an agent for a deferred deposit originator, and/or assisted a deferred deposit originator in the origination of Deferred Deposit Transactions in California by way of the Internet.
4. From at least January 2003 to present, mycashnow.com engaged in the above referenced Deferred Deposit Transactions without first obtaining a license from the Commissioner of the California Department of Corporations.
5. mycashnow.com is not licensed by the Department of Corporations to engage in the business of deferred deposit transactions in the state of California.

- 1 **6.** From at least January 2003 to present, mycashnow.com made Loans in amounts in excess of
2 \$300.00 per transaction in deferred deposit transactions.
- 3 **7.** In or about January 2003 to present, mycashnow.com entered into at least one Deferred
4 Deposit Transaction involving a California resident that did not list the mailing address of
5 mycashnow.com.
- 6 **8.** On or about January 2003 to present, mycashnow.com charged fees in an amount of more
7 than 15% of the face amount of the check in Deferred Deposit Transactions involving
8 California residents.
- 9 **9.** From at least January 2003 to present, mycashnow.com charged fees in conjunction with the
10 extension of payment plans in association with an existing Deferred Deposit Transaction
11 payment plan in California.
- 12 **10.** From at least January 2003 to present, mycashnow.com engaged in harmful, unfair, unlawful
13 or deceptive conduct with regard to these Deferred Deposit Transactions in California by
14 posting statements on their website that are likely to mislead customers.
- 15 **11.** mycashnow.com was issued two Unlicensed Activity Notices by the California Department
16 of Corporations. The first on January 22, 2007 and the second on February 14, 2007 for
17 unlicensed and/or unlawful conduct. mycashnow.com continued to conduct such unlawful
18 and/ or unlicensed activity.
- 19 **12.** Based upon the foregoing findings, the California Corporations Commissioner is of the
20 opinion that the Loans made by mycashnow.com constitute Deferred Deposit Transactions
21 within the meaning of California Financial Code section 23001. These transactions subject
22 mycashnow.com to the licensing requirements and regulations mandated by California
23 Financial Code section 23005 *et seq.* The manner in which these Loans are either executed,
24 managed, applied for, or processed is in violation of California Financial Code sections
25 23035(a) *et seq.*
- 26 **13.** Pursuant to section 23050 of the California Financial Code, mycashnow.com is hereby
27 ordered to desist and refrain from the further execution, participation, issuance, promotion,
28 operation, management and/or engagement in transactions and/or the business of providing

1 cash advance loans through Deferred Deposit Transactions as defined in California Financial
2 Code section 23001, through the Internet or otherwise in the State of California unless and
3 until a license has been granted under the law or unless exempt.

4 14. Pursuant to section 23036(f) of the California Financial Code, mycashnow.com is hereby
5 ordered to desist and refrain from the further execution, participation, issuance, promotion,
6 operation, management and/or engagement of any and all unlawful, or deceptive conduct or
7 make any statement that is likely to mislead in connection with the business of Deferred
8 Deposit Transactions through the Internet or otherwise in the State of California.

9 15. The California Corporations Commissioner, pursuant to California Financial Code sections
10 23051 and 23060 hereby finds that mycashnow.com willfully violated sections 23005(a),
11 23035(a), 23036(a), 23036(b), 23036(c), 23036(f), and/or 20307(f) of the California Financial
12 Code in the making or collection of Deferred Deposit Transaction contract(s). Therefore, by
13 this order, all such contracts in California shall be void and no person shall have the right to
14 collect or receive any amount provided in these transaction(s) any charges, and/or fees in
15 connection with the Deferred Deposit Transaction(s).

16 16. Further, the California Corporations Commissioner, pursuant to California Financial Code
17 section 23060(a) hereby finds that mycashnow.com willfully charged fees in any amount
18 other than, or in excess of, the charges or fees permitted by California Financial Code sections
19 23000 *et. seq.* in the making or collection of Deferred Deposit Transaction contract(s).
20 Therefore, by this order, all such contracts in California shall be void and no person shall have
21 any right to collect or receive the principal amount and any charges, and/or fees in connection
22 with the Deferred Deposit Transaction(s).

23 The California Corporations Commissioner finds that this Order is necessary or appropriate in the
24 public interest or for the protection of lenders and consistent with the purposes fairly intended by the

25 ///

26 ///

27 ///

28

1 policy and provisions of this law.

2 Dated: August 20, 2007
3 Sacramento, California

4 PRESTON DuFAUCHARD
5 California Corporations Commissioner

6
7 By: _____
8 SHARON A. LUERAS
9 Lead Counsel
10 Enforcement Division

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28