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

TO: THOMAS SPAETH/RICHARD FISHER
DBA D. T. FERNANDO’S CHECK CASHING
2950 Cochran St., #D
Simi Valley, CA 93065

CITATIONS
AND
DESIST AND REFRAIN ORDER
(Pursuant to California Financial Code sections 23050 and 23058)

The California Corporations Commissioner finds that:

1. Thomas Spaeth/Richard Fisher dba D. T. Fernando’s Check Cashing, hereinafter “Licensee” is, and was at all relevant times herein, a partnership conducting business in California with its principal place of business located at 2950 Cochran St., # D, Simi Valley, CA 93065 (“Location 1”).

2. On or about December 31, 2004, Licensee obtained licenses from the California Corporations Commissioner (“Commissioner”) to engage in the business of deferred deposit transactions at 2950 Cochran St., #D, Simi Valley, CA 93065 (“Location 1”) and 2358 E. Main Street, #B, Ventura, CA 93003 (“Location 2”).

3. An examination of Licensee conducted by the Commissioner on September 13, 2007 at locations 1 and 2 disclosed the following violations:

Citation A, Locations 1 and 2. Licensee filed a false annual report for the calendar year ending December 31, 2006 with the Commissioner in violation of Financial Code section 23026 and California Code of Regulations, Title 10, section 2030. The report was false in that the licensee reported the information required to be contained therein for Location 2, but did not include the information for location 1. Companies with multiple locations are required to file one report consolidating the information from all locations into one report.

Citation B, Locations 1 and 2. Licensee filed a false annual report for the calendar year ending December 31, 2007 with the Commissioner in violation of Financial Code section 23026 and

1 California Code of Regulations, Title 10, section 2030. The report was false in that the licensee
2 reported the information required to be contained therein for Location 2, but did not include the
3 information for location 1. Companies with multiple locations are required to file one report
4 consolidating the information from all locations into one report.

5 Citation C, Location 1. Licensee failed to provide notice to customers prior to entering into
6 agreement in violation of Financial Code section 23035 (c).

7 Citation D, Location 1. Licensee failed to include disclosure in Agreement that customer
8 cannot be criminally prosecuted or threatened with criminal prosecution to collect a deferred deposit
9 transaction in violation of Financial Code section 23035 (e) (9).

10 Citation E, Location 2. Licensee failed to include disclosure in Agreement that licensee
11 cannot accept collateral in connection with the deferred deposit transaction in violation of Financial
12 Code section 23035 (e) (10).

13 Citation F, Location 3. Licensee failed to include disclosure in Agreement that the licensee
14 cannot make a deferred deposit transaction contingent on the purchase of another product or service
15 in violation of Financial Code section 23035 (e) (11).

16 Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to the
17 Commissioner an administrative penalty in the total amount of \$12,000 for the following Citations
18 within 30 days from the date of these citations.

19	Citation A, Locations 1 and 2.	\$2,500
20	Citation B, Locations 1 and 2.	\$2,500
21	Citation C, Location 1.	\$2,500
22	Citation D, Location 1.	\$1,500
23	Citation E, Location 1.	\$1,500
24	Citation F, Location 1.	\$1,500

25
26 Pursuant to California Financial Code section 23050, Licensee is hereby ordered
27 to desist and refrain from engaging in the business of deferred deposit transactions in the State of
28 California in violation of the above referenced sections.

1 These Citations and Desist and Refrain Order are necessary, in the public
2 interest, for the protection of consumers and is consistent with the purposes, policies and
3 provisions of the California Deferred Deposit Transaction Law. These Citations and Desist and
4 Refrain Order shall remain in full force and effect until further order of the Commissioner.

5 These Citations and Desist and Refrain Order are separate from any further action that may
6 include other administrative, civil or criminal remedies that the Commissioner may take based upon
7 the violations of law cited herein or otherwise.

8
9 California Financial Code section 23058 provides, in relevant part:

10 (a) If, upon inspection, examination or investigation, based upon a
11 complaint or otherwise, the department has cause to believe that a person
12 is engaged in the business of deferred deposit transactions without a license,
13 . . . the department may issue a citation to that person in writing, describing
14 with particularity the basis of the citation. Each citation may contain . . . an
assessment of an administrative penalty not to exceed two thousand five hundred
dollars (\$2,500)
...

15 (c) If within 30 days from the receipt of the citation of the person cited fails
16 to notify the department that the person intends to request a hearing as
17 described in subdivision (d), the citation shall be deemed final.

18 (d) Any hearing held under this section shall be conducted in accordance with
19 Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2
of the Government Code

20
21 California Financial Code section 23050 provides:

22 Whenever, in the opinion of the commissioner, any person is engaged in the
23 business of deferred deposit transactions, as defined in this division, without
24 a license from the commissioner, or any licensee is violating any provision
of this division, the commissioner may order that person or licensee to desist
25 and to refrain from engaging in the business or further violating this division.
If, within 30 days, after the order is served, a written request for a hearing is
filed and no hearing is held within 30 days thereafter, the order is rescinded.

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The request for a hearing may be made by delivering or mailing a written request to:

Steven Thompson
Special Administrator
California Deferred Deposit Transaction Law
Department of Corporations
320 West 4th Street, Ste. 750
Los Angeles, California 90013-2344
(213) 576-7610

Dated: June 10, 2008
Los Angeles, CA

PRESTON DUFAUCHARD
California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator
California Deferred Deposit Transaction Law