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

TO: MAY RHUE AND JERRY RHUE
DBA SPEEDY PAYCHECK ADVANCE
212 S. Atlantic Avenue, Suite 203
Los Angeles, CA 90022

AMENDED
CITATIONS
AND
DESIST AND REFRAIN ORDER
(Pursuant to California Financial Code section 23058)

The California Corporations Commissioner finds that:

1. May Rhue and Jerry Rhue dba Speedy Paycheck Advance, hereinafter “Licensee” is, and was at all relevant times herein individuals authorized to conduct business in this state, with their principal place of business located at 212 S. Atlantic Blvd., Suite 203, Los Angeles, CA 90022.

2. On or about December 31, 2004, Licensee obtained a license from the California Corporations Commissioner (“Commissioner”) to engage in the business of deferred deposit transactions at 212 S. Atlantic Blvd., Suite 203, Los Angeles, CA 90022.

3. An examination of Licensee conducted by the Commissioner on January 9, 2008 disclosed the following violations at 212 S. Atlantic Blvd., Suite 203, Los Angeles, CA 90022.

Citation A. Licensee failed to include in its advertising that licensee is licensed by the Department of Corporations pursuant to the California Deferred Deposit Transaction Law in violation of California Financial Code 23027.

Citation B. Licensee failed to include all required disclosures in notice provided to customers prior to entering into deferred deposit transactions in violation of Financial Code section 23035 (c) (4) and (6). Licensee was informed of this violation during the previous regulatory examination conducted on May 5, 2006.

Citation C. Notice required to be posted in conspicuous view of the public did not contain all required disclosures, was in letters less than ½ inch in height in violation of Financial Code section

1 23035 (d) and contained false statements in violation of Financial Code section 23037 (f). Licensee
2 was informed of the requirement to post the notice with all required disclosures in conspicuous view
3 of the public in letters at least ½ inch in height during the previous regulatory examination
4 conducted on May 5, 2006.

5 Citation D. Licensee failed to maintain evidence of checks on closed deferred deposit
6 transactions in violation of California Code of Regulations section 2025 (c) (1). Licensee was
7 informed of this violation during the previous regulatory examination conducted on May 5, 2006.

8 Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to
9 the Commissioner an administrative penalty in the total amount of \$6,000 for the following
10 Citations within 30 days from the date of these Citations.

- 11
- 12 Citation A. \$300
- 13 Citation B. \$1,900
- 14 Citation C. \$1,900
- 15 Citation D. \$1,900

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

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

23 These Citations are separate from any further action that may include
24 other administrative, civil or criminal remedies that the Commissioner may take based upon the
25 violations of law cited herein or otherwise.

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27 California Financial Code section 23058 provides, in relevant part:

- 28 (a) If, upon inspection, examination or investigation, based upon a

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complaint or otherwise, the department has cause to believe that a person is engaged in the business of deferred deposit transactions without a license, . . . the department may issue a citation to that person in writing, describing 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)
...

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

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

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without 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 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.

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: July 30, 2008
Los Angeles, CA

PRESTON DUFAUCHARD
California Corporations Commissioner

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