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

TO: CRAIG STEELE & CECELIA LEE
DBA THE BUYBACK STORE
14348 Ramona Blvd.
Baldwin Park, CA 91706

CITATIONS
AND
DESIST AND REFRAIN ORDER
(Pursuant to California Financial Code sections 23050 and 23058)
ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS
(Pursuant to California Financial Code Section 23060)

The California Corporations Commissioner finds that:

1. Craig Steele and Cecelia Lee dba The Buy Back Store, hereinafter “Licensee” is, and was at all relevant times herein, a partnership conducting business in California with its principal place of business located at 14348 Ramona Blvd., Baldwin Park, CA 91706.

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 14348 Ramona Blvd., Baldwin Park, CA 91706.

3. An examination of Licensee conducted by the Commissioner on January 24, 2008 at 14348 Ramona Blvd., Baldwin Park, CA 91706 disclosed the following violations:

Citation A. Licensee made two loans totaling \$403.64 with Annual Percentage Rates (“APRs”) that exceeded 36% to two customers who were active members of the military. Licensee made one loan in the amount of \$220 with an APR exceeding 36% to the dependent of an active member of the military. This is in violation of Financial Code section 23038 (a). Financial Code section 23038(a) provides that any person who violates any provision of Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007 or any provision of Section 232 of Title 31 of the Code of Federal Regulations, as published on August 31, 2007, in Volume 72 of the

1 Federal Register, violates the California Deferred Deposit Transaction Law.

2 Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to the
3 Commissioner an administrative penalty in the total amount of \$2,500 for the following Citation
4 within 30 days from the date of this citation.

5 Citation A. \$2,500

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

9 This Citation and Desist and Refrain Order are necessary, in the public
10 interest, for the protection of consumers and is consistent with the purposes, policies and
11 provisions of the California Deferred Deposit Transaction Law. This Citation and Desist and
12 Refrain Order shall remain in full force and effect until further order of the Commissioner.

13 This Citation and Desist and Refrain Order are separate from any further action that may
14 include other administrative, civil or criminal remedies that the Commissioner may take based upon
15 the violations of law cited herein or otherwise.

16
17 California Financial Code section 23058 provides, in relevant part:

18 (a) If, upon inspection, examination or investigation, based upon a
19 complaint or otherwise, the department has cause to believe that a person
20 is engaged in the business of deferred deposit transactions without a license,
21 . . . the department may issue a citation to that person in writing, describing
22 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)
...

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

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

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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.

ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS

Licensee willfully violated California Financial Code section 23038 (a) by making two deferred deposit transactions totaling \$403.64 with APRs exceeding 36% to two active military members and making one deferred deposit transaction in the amount of \$220 with an APR in excess of 36% to one dependent of an active military member in violation of Financial Code section 23038

(a). California Financial Code section 23060 states:

(a) If any amount other than, or in excess of, the charges or fees permitted by this division is willfully charged, contracted for, or received, a deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive the principal amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

(b) If any provision of this division is willfully violated in the making or collection of a deferred deposit transaction, the deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

Pursuant to Financial Code section 23060, subdivision (b), all three of the above described deferred deposit transactions totaling at least \$623.64 shall be declared void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction or any charges or fees in connection with these consumer transactions and is hereby ordered to immediately return any amount and all charges and fees received for these transactions.

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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: May 19, 2008
Los Angeles, CA

PRESTON DUFAUCHARD
California Corporations Commissioner

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