

1  
2 **STATE OF CALIFORNIA**  
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Keith Baker  
6 American Hope Financial Management  
7 652 Seaward Avenue  
8 Carlsbad, CA 92011  
9 and  
10 <http://americanhopefinancial.com>

11 **DESIST AND REFRAIN ORDER**  
12 **(For violation of section 12200 of the Financial Code)**

13 The California Corporations Commissioner finds that:

14 1. At all relevant times, American Hope Financial Management (“American Hope”), an  
15 entity of unknown form, maintained a principal place of business at 652 Seaward Avenue, Carlsbad,  
16 CA 92011. At all relevant times, American Hope maintained a website at  
17 <http://americanhopefinancial.com>.

18 2. At all relevant times, Keith Baker (“Baker”) was the president of American Hope.

19 3. Beginning in 2009 or earlier, American Hope and Baker entered into a written contract  
20 with at least one California resident to provide debt settlement services. The contract provided that  
21 American Hope would negotiate with the California resident’s creditors for the reduction of  
22 unsecured debt.

23 4. Pursuant to his contract with American Hope and Baker, the California resident made  
24 monthly payments into a bank account for the purposes of paying service fees to American Hope and  
25 paying the California resident’s debts.

26 5. The California resident further gave American Hope \$20,000 for payment to one  
27 particular creditor. American Hope subsequently told the California resident that his debt with that  
28

1 creditor had been settled. However, American Hope never used any of the \$20,000 to pay the  
2 creditor and that debt actually was not settled.

3 6. The Department of Corporations has jurisdiction over and regulates proraters under the  
4 Check Sellers, Bill Payers and Proraters Law set forth in California Financial Code section 12000 et  
5 seq. Financial Code section 12200 states:

6 No person shall engage in the business, for compensation, of selling checks,  
7 drafts, money orders, or other commercial paper serving the same purpose, or  
8 of receiving money as agent of an obligor for the purpose of paying bills,  
9 invoices, or accounts of such obligor, or acting as a prorater, nor shall any  
10 person, without direct compensation and not as an authorized agent for a utility  
11 company, accept money for the purpose of forwarding it to others in payment  
12 of utility bills, without first obtaining a license from the commissioner.

11 7. The definition of a prorater, found in Financial Code section 12002.1, states:

12 A prorater is a person who, for compensation, engages in whole or in part in  
13 the business of receiving money or evidences thereof for the purpose of  
14 distributing the money or evidences thereof among creditors in payment or  
15 partial payment of the obligations of the debtor.

15 8. The California Corporations Commissioner has not licensed American Hope or Baker  
16 in this State to act as proraters.

17 Based upon the foregoing findings, the California Corporations Commissioner is of the  
18 opinion that American Hope Financial Management and Keith Baker, in concert and/or in  
19 participation with others, have been engaging in business as proraters as defined in the Check Sellers,  
20 Bill Payers and Proraters Law without a license from the California Corporations Commissioner.

21 Pursuant to Financial Code section 12103, the California Corporations Commissioner hereby  
22 orders American Hope Financial Management and Keith Baker, individually, in concert and/or in  
23 participation with others, to desist and refrain from engaging in business as proraters unless and until  
24 they are licensed or exempt. This Order is necessary, in the public interest, and for the protection of  
25 consumers.

26 ///  
27 ///  
28 ///

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

Dated: January 14, 2013  
Sacramento, California

JAN LYNN OWEN  
California Corporations Commissioner

By \_\_\_\_\_

MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division