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9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

11

12	In the Matter of:)	CDDTL License No.: 100-4121
)	
13	THE COMMISSIONER OF BUSINESS)	DESIST AND REFRAIN ORDER PURSUANT
14	OVERSIGHT OF THE STATE OF)	TO FINANCIAL CODE SECTION 23050; and
	CALIFORNIA,)	
15)	CITATIONS PURSUANT TO FINANCIAL
16	Complainant,)	CODE SECTION 23058
)	
17	v.)	
)	
18	ABKO 247, INC., DBA CASH PLUS #208,)	
)	
19	Respondent.)	
20)	

21 The Complainant is informed and believes and based on such information and belief, alleges
22 and charges the Respondent as follows:

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I.

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FACTUAL BACKGROUND

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1. ABKO 247, Inc., DBA Cash Plus #208 (“ABKO”) is a deferred deposit transaction originator licensed by Complainant, the Commissioner of Business Oversight (“Commissioner”) on or around March 11, 2011 pursuant to the California Deferred Deposit Transaction Law (Fin. Code § 23000 et seq.) (“CDDTL”).

1 2. ABKO is a California corporation formed on July 7, 2008, with a principal place of
2 business located at 11230 Garvey Ave., Suite C, El Monte, California 91733.

3 3. Rani Kourieh is the Chief Executive Officer of ABKO.

4 4. On or around July 28, 2015, the Commissioner commenced a regulatory examination
5 of ABKO pursuant to Financial Code section 23046.

6 5. During the regulatory examination, the Commissioner requested and ABKO submitted
7 four quarterly balance sheets, which were dated as of: March 31, 2015; December 31, 2014;
8 September 30, 2014; and June 30, 2014. ABKO's quarterly balance sheets were not prepared
9 according to Generally Accepted Accounting Principles ("GAAP") for a corporation, in violation of
10 Code of Regulations, title 10, section 2026.

11 6. On or around December 7, 2015, the Commissioner directed ABKO to submit revised
12 quarterly balance sheets prepared according to GAAP.

13 7. On or around April 11, 2016, ABKO submitted revised quarterly balance sheets that
14 were still not prepared according to GAAP in that total assets did not equal total liabilities plus
15 equity. Moreover, ABKO's stated total liabilities exceeded total assets, indicating that ABKO may
16 not meet the \$25,000.00 minimum net worth requirement set forth in Financial Code section 23007.

17 8. On or around April 15, 2016, the Commissioner notified ABKO in writing that its
18 revised quarterly balance sheets were still not prepared according to GAAP and directed ABKO to
19 respond within ten days, or by no later than April 25, 2016. ABKO did not respond by the deadline.
20 The Commissioner repeated her written demand on May 3, 2016, and May 11, 2016.

21 9. To date, ABKO has failed to prepare quarterly balance sheets according to GAAP, in
22 violation of California Code of Regulations, title 10, section 2026; failed keep and use books,
23 accounts, and records that will enable the Commissioner to determine if ABKO is complying with the
24 provisions of the CDDTL, in violation of Financial Code section 23024; and failed to provide such
25 books and records to the Commissioner within ten days after a written demand, in violation of
26 Financial Code section 23048, subdivision (b).

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II.

DESIST AND REFRAIN ORDER

The Commissioner is authorized to pursue administrative actions and remedies against persons and licensees who engage in violations of the CDDTL.

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.

California Code of Regulations, title 10, section 2026 states, “A deferred deposit originator shall maintain its books, accounts and records in accordance with generally accepted accounting principles and good business practices.”

Financial Code section 23024 provides in pertinent part:

Each licensee shall keep and use books, accounts, and records that will enable the commissioner to determine if the licensee is complying with the provisions of this division and with the rules and regulations promulgated by the commissioner. Each licensee shall maintain any other records as required by the commissioner. The commissioner or a designee of the commissioner may examine those records at any reasonable time

Financial Code section 23048, subdivision (b) states, “The commissioner may require the production for examination in this state of all books, records, and supporting data used by the licensee in the preparation of reports to the commissioner. The books, records, and supporting data shall be made available for examination by the commissioner in this state within 10 days after a written demand.”

The foregoing facts establish that ABKO violated Financial Code sections 23024 and 23048, and California Code of Regulations, title 10, section 2026. Pursuant to Financial Code section 23050 ABKO is hereby ordered to desist and refrain from violating Financial Code sections 23024 and

1 23048, and California Code of Regulations, title 10, section 2026. This Order is necessary for the
2 protection of consumers and consistent with the purposes, policies, and provisions of the CDDTL.
3 This Order shall remain in full force and effect until further order of the Commissioner.

4 III.

5 CITATIONS

6 For the CDDTL violations of ABKO 247, Inc., DBA Cash Plus #208, the Commissioner
7 herein issues Citations A, B, and C as part of this single document:

8 **CITATION A** – ABKO 247, Inc., DBA Cash Plus #208 failed to maintain books, accounts and
9 records in accordance with generally accepted accounting principles and good practices while
10 engaging in the business of deferred deposit transactions during the periods covered by the four
11 quarterly balance sheets, which were dated as of: March 31, 2015; December 31, 2014; September
12 30, 2014; and June 30, 2014, in violation of California Code of Regulations, title 10, section 2026.

13 **CITATION B** – ABKO 247, Inc., DBA Cash Plus #208 failed to keep and use books, accounts, and
14 records that will enable the Commissioner to determine if the licensee is complying with the
15 provisions of this division, including, but not limited to, the minimum net worth requirement set forth
16 in Financial Code section 23007, in violation of Financial Code section 23024.

17 **CITATION C** – ABKO 247, Inc., DBA Cash Plus #208 failed to make available all books, records,
18 and supporting data used by the licensee in the preparation of reports to the Commissioner for
19 examination within ten days after a written demand, in violation of Financial Code section 23048,
20 subdivision (b).

21 Financial Code section 23058 gives the Commissioner the authority to issue citations for the
22 foregoing CDDTL violations. Section 23058 states:

23 (a) If, upon inspection, examination or investigation, based upon a
24 complaint or otherwise, the department has cause to believe that a person
25 is engaged in the business of deferred deposit transactions without a
26 license, or a licensee or person is violating any provision of this division
27 or any rule or order thereunder, the department may issue a citation to that
28 person in writing, describing with particularity the basis of the citation.
Each citation may contain an order to desist and refrain and an
assessment of an administrative penalty not to exceed two thousand five
hundred dollars (\$2,500). All penalties collected under this section shall be
deposited in the State Corporations Fund.

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(b) The sanctions authorized under this section shall be separate from, and in addition to, all other administrative, civil, or criminal remedies.

(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 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, and in all states the commissioner has all the powers granted therein.

(e) After the exhaustion of the review procedures provided for in this section, the department may apply to the appropriate superior court for a judgment in the amount of the administrative penalty and order compelling the cited person to comply with the order of the department. The application, which shall include a certified copy of the final order of the department, shall constitute a sufficient showing to warrant the issuance of the judgment and order.

Pursuant to Financial Code section 23058, ABKO 247, Inc., DBA Cash Plus #208 is hereby ordered to pay the Commissioner an administrative penalty of 2,500.00 for each of the Citations A, B, and C, for a total amount of \$7,500.00 within 30 days from the date of this citation.

Dated: July 21, 2016
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
MARY ANN SMITH
Deputy Commissioner