

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 Department of Corporations
320 West 4th Street, Ste. 750
4 Los Angeles, California 90013-2344
Telephone: (213) 576-7610 Fax: (213) 576-7130
5 Attorneys for Complainant
6

7 BEFORE THE DEPARTMENT OF CORPORATIONS
8 OF THE STATE OF CALIFORNIA
9

10 In the Matter of the Accusation of THE) Case No.: 100-2904
CALIFORNIA CORPORATIONS)
11 COMMISSIONER,) ACCUSATION
12)
Complainant,)
13)
14 vs.)
15 CNG FINANCIAL MANAGEMENT, INC.)
doing business as CNG FINANCIAL)
16 MANAGEMENT, INC.)
17)
Respondent.)
18

19 The Complainant is informed and believes, and based upon such information and belief,
20 alleges and charges Respondent as follows:

21 I

22 Respondent CNG Financial Management, Inc. doing business as CNG Financial
23 Management, Inc. (“CNG Financial Management”) is a deferred deposit transaction originator
24 licensed by the California Corporations Commissioner (“Commissioner”) pursuant to the California
25 Deferred Deposit Transaction Law (California Financial Code § 23000 et seq.) (“CDDTL”). CNG
26 Financial Management is licensed as a corporation that has its principal place of business located at
27 395 N. E. Street, Suite 104, San Bernardino, CA 92401.
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

II

Pursuant to California Financial Code section 23013, all CDDTL licensees are required to maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of CNG Financial Management expired on January 19, 2011. On or about December 22, 2010, the Commissioner notified CNG Financial Management by certified mail that a replacement surety bond had to be filed immediately, but no later than the expiration date to avoid suspension or revocation of its CDDTL license. The notification was delivered to CNG Financial Management on or about December 26, 2010.

CNG Financial Management has yet to obtain a replacement surety bond in violation of California Financial Code section 23013.

III

California Financial Code section 23013 provides in pertinent part:

A licensee shall maintain a surety bond in accordance with this subdivision in the amount of twenty-five thousand dollars (\$25,000). The bond shall be payable to the commissioner and issued by an insurer authorized to do business in this state. A copy of the bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be filed with the commissioner for review and approval within 10 days of execution. For licensees with multiple licensed locations, only one surety bond in the amount of twenty-five thousand dollars (\$25,000) is required. The bond shall be used for the recovery of expenses, fines, and fees levied by the commissioner in accordance with this division or for losses or damages incurred by consumers as the result of a licensee's noncompliance with the requirements of this division.

California Financial Code section 23052 provides in pertinent part:

The commissioner may suspend or revoke any license, upon notice and reasonable opportunity to be heard, if the commissioner finds any of the following:

(a) The licensee has failed to comply with any demand, ruling, or requirement of the commissioner made pursuant to and within the authority of this division.

(b) The licensee has violated any provision of this division or any rule or regulation made by the commissioner under and within the authority of this division.

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

(c) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

IV

The Commissioner finds that, by reason of the foregoing, CNG Financial Management, Inc. dba CNG Financial Management, Inc. has violated California Financial Code section 23013, and based thereon, grounds exist to revoke the deferred deposit transaction license of CNG Financial Management, Inc. dba CNG Financial Management, Inc.

WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of CNG Financial Management, Inc. dba CNG Financial Management, Inc. be revoked.

Dated: January 19, 2011
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Steven C. Thompson
Special Administrator