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California Corporations Commissioner
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

11 THE CALIFORNIA CORPORATIONS) File No.: 100-3791 and 100-3783
12 COMMISSIONER,)
) ACCUSATION TO REVOKE LICENSES
13 Complainant,)
)
14 vs.)
)
15 IZL Cash & Go, Inc.,)
16 Respondent)
17)
18)

19 Complainant, the California Corporations Commissioner, (“Commissioner”) is informed and
20 believes, and based upon such information and belief, alleges and charges Respondent as follows:

21 INTRODUCTION

22 On or about December 19, 2007, the Commissioner of the Department of Corporations
23 (“Department”) issued to Respondent, IZL Cash & Go, Inc. (“IZL”), a deferred deposit transaction
24 originator license for operating the business located at 5259 Paramount Blvd., Lakewood, California,
25 pursuant to the California Deferred Deposit Transaction Law (“CDDTL”) set forth in California
26 Financial Code section 23000 et seq. (All future references to sections are to the California
27 Financial Code unless indicated otherwise.) On or about January 14, 2008, the Department issued a
28 license to IZL to engage in the business of deferred deposit transactions at the business location

1 12505 Beach Blvd., Suite A4, Stanton, California. IZL currently holds these two licenses, numbers
2 100-3783 and 100-3791.

3 On June 26, 2009, the Commissioner issued a desist and refrain order against Respondent for
4 violations of various provisions of the CDDTL, including section 23007. Section 23007 requires a
5 licensee under the CDDTL to maintain a net worth of at least twenty five thousand dollars (\$25,000)
6 at all times and to submit financial statements with the Commissioner that evidence such net worth.
7 After the Commissioner’s desist and refrain order was issued, Respondent continued to violate the
8 CDDTL by failing to file the financial statements required under section 23007 and failing to
9 maintain a net worth of twenty five thousand dollars (\$25,000).

10 I

11 FACTUAL BACKGROUND

12 1. The Department is responsible for enforcing provisions of the CDDTL and authorized
13 to pursue administrative actions and remedies against licensees who engage in violations of the
14 CDDTL.

15 2. Since at least December 19, 2007, Respondent has engaged in the business of deferred
16 deposit transactions by offering, originating and making deferred deposit transactions.

17 3. A deferred deposit transaction is a written transaction whereby one person gives funds
18 to another person upon receipt of a personal check along with an agreement that the personal
19 check shall not be deposited until a later date. These transactions are also referred to as “payday
20 advances” or “payday loans.”

21 4. On January 13, 2009, the Commissioner’s representative visited Respondent’s business
22 location at 5259 Paramount Blvd., Lakewood, California.

23 5. The Department’s review of Respondent’s business revealed the various CDDTL
24 violations described in the Department’s desist and refrain order, issued June 26, 2009 and served
25 upon Respondent.

26 6. Respondent took corrective actions to address some of the violations referenced in the
27 desist and refrain order. However, Respondent continued to violate the desist and refrain order and
28 section 23007 by failing to provide evidence to the Department of it having twenty five thousand

1 dollars (\$25,000) of net worth.

2 7. On October 23, 2009, Respondent belatedly provided its balance sheets for January 31,
3 2009 through July 31, 2009. These showed a net worth below the required twenty five thousand
4 (\$25,000) for all three quarters.

5 8. The Department informed Respondent again of the net worth requirement and requested
6 current financial records. Respondent requested time to obtain the required capital, and was granted
7 a short extension by the Department; the Department gave Respondent until February 4, 2010 to
8 provide the appropriate records evidencing the required net worth.

9 9. To date, Respondent has not provided the Department with these records or any other
10 evidence that it is in compliance with the net worth requirements of the CDDTL. Consequently,
11 Respondent is in violation of the CDDTL and in violation of the Commissioner’s desist and refrain
12 order, which warrants the revocation of its two licenses.

13 II

14 COMMISSISONER’S AUTHORITY TO REVOKE RESPONDENT’S CDDTL LICENSES

15 10. Section 23052 states the grounds for revocation of CDDTL licenses:

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

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

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

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

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11. By reason of the foregoing, Respondent has failed to comply with requirements of the Commissioner and has violated provisions of the CDDTL. Consequently, the Commissioner seeks to revoke both of Respondent’s licenses.

CONCLUSION

Complainant finds, due to the foregoing, that Respondent violated section 23007 and the Commissioner’s desist and refrain order issued June 26, 2009. Therefore, the Commissioner is justified in revoking both of Respondent’s California deferred deposit transaction licenses pursuant to section 23052.

WHEREFORE, Complainant, the California Corporations Commissioner prays that the deferred deposit transaction licenses, numbers 100-3791 and 100-3783, of IZL Cash & Go, Inc. be revoked pursuant to Financial Code section 23052.

Dated: March 16, 2010
Sacramento, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
JOANNE ROSS
Corporations Counsel