

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
3 ALAN S. WEINGER (BAR NO. 86717)  
Lead Corporations Counsel  
4 UCHE L. ENENWALI (BAR NO. 235832)  
Corporations Counsel  
5 320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
6 Telephone: (213) 576-7586 Fax: (213) 576-7181

7 Attorneys for Complainant

8

9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA

11 IN THE MATTER OF THE ACCUSATION OF ) File No: 100-2335  
THE CALIFORNIA CORPORATIONS )  
12 COMMISSIONER, )  
13 Complainant, ) ACCUSATION  
14 )  
15 vs. )  
16 MOONCHA CORPORATION doing business )  
as CASH PLUS, )  
17 Respondent. )  
18 )  
19 )

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

23 I.  
24 Respondent Mooncha Corporation, a California corporation, doing business as Cash Plus  
25 (“Cash Plus”) is a deferred deposit transaction originator licensed by the California Corporations  
26 Commissioner (“Commissioner”) pursuant to the California Deferred Deposit Transaction Law  
27 (California Financial Code section 23000 et seq.) (“CDDTL”). Cash Plus has its principal place of  
28 business located at 630 N. Sepulveda Boulevard, #9A, El Segundo, California 90245.

1 ///

2 II.

3 On or about August 30, 2006, the Commissioner commenced a regulatory examination of the  
4 books and records of Cash Plus. The regulatory examination revealed that while engaged in the  
5 business of deferred deposit transactions, Cash Plus violated provisions of the California Financial  
6 Code and California Code of Regulations as more fully described below:

- 7 (a) Cash Plus failed to maintain deferred deposit transaction records for a period of  
8 two years from the date of the last transaction as required by California Financial  
9 Code section 23024 and California Code of Regulations, title 10, section  
10 2025(c)(1).
- 11 (b) Cash Plus routinely destroyed deferred deposit transaction records upon  
12 completion of the transaction(s). Further, a review of pending transactions  
13 disclosed that Cash Plus routinely failed to disclose the annual percentage rate and  
14 customer payment obligations in violation of California Financial Code section  
15 23035(e)(1) & (2).
- 16 (c) Before entering into deferred deposit transactions, Cash Plus failed to distribute to  
17 customers a notice containing information prescribed under California Financial  
18 Code section 23035(c)(3)(4)(6), including (i) the fact that a customer may not be  
19 required to pay treble damages if the customer's check did not clear; (ii) that  
20 criminal action cannot be taken to enforce a deferred deposit transaction; and (iii)  
21 the Department of Corporations toll-free telephone number for receiving calls  
22 regarding customer complaints and concerns.
- 23 (d) Cash Plus did not enter into written agreements for all deferred deposit  
24 transactions but instead, entered into verbal agreements with customers in  
25 violation of California Financial Code section 23035(e).
- 26 (e) Cash Plus entered into deferred deposit transactions with customers during the  
27 period of time that earlier agreements for deferred deposit transactions for the  
28

1 same customers were in effect thereby violating California Financial Code section  
2 23036(c).

3 (f) On or about March 10, 2006, Cash Plus violated California Financial Code section  
4 23026 and California Code of Regulations, Title 10, section 2030, by filing a false  
5 annual report with the Commissioner. The report was false in that Cash Plus had  
6 estimated the information required to be contained therein because Cash Plus  
7 lacked the necessary records to give accurate information due to the illegal  
8 destruction of the records discussed above.

9 III.

10 California Financial Code section 23052 provides in pertinent part:

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

- 13 (a) The licensee has failed to comply with any demand, ruling, or requirement of the  
14 commissioner made pursuant to and within the authority of this division.
- 15 (b) The licensee has violated any provision of this division or any rule or regulation  
16 made by the commissioner under and within the authority of this division.
- 17 (c) A fact or condition exists that, if it had existed at the time of the original  
18 application for the license, reasonably would have warranted the commissioner in  
19 refusing to issue the license originally.

20 The Commissioner finds that, by reason of the foregoing, Cash Plus has violated California  
21 Financial Code sections 23024, 23035, and 23036 and sections 2025 and 2030 of Title 10 of the  
22 California Code of Regulations, which are grounds to revoke the deferred deposit transaction license  
23 of Cash Plus.

24 WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of Cash Plus be  
25 revoked.

26 DATED: January 9, 2007  
27 Los Angeles, California

28 PRESTON DUFAUCHARD  
California Corporations Commissioner

By: \_\_\_\_\_  
Uche L. Enenwali  
Corporations Counsel