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California Corporations Commissioner
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9 Attorneys for Complainant

11 BEFORE THE DEPARTMENT OF CORPORATIONS
12 OF THE STATE OF CALIFORNIA

13)	
14	THE CALIFORNIA CORPORATIONS)	File No.: 100-1485
15	COMMISSIONER,)	
16	Complainant,)	1) ACCUSATION TO REVOKE
17	vs.)	LICENSE
18	JUDY SALTER, doing business as, INSTANT)	2) CITATIONS AND DESIST AND
19	CASH)	REFRAIN ORDER
20	Respondent.)	

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

24 INTRODUCTION

25 On February 28, 2006, the Commissioner of the California Department of Corporations
26 (“Department”) issued to Respondent, Judy Salter dba Instant Cash, a deferred deposit transaction
27 originator license (File Nos. 100-1485) pursuant to the California Deferred Deposit Transaction
28 Law (“CDDTL”) set forth in California Financial Code sections 23000 et seq. (All future
references to sections are to the California Financial Code unless indicated otherwise.)

ACCUSATION TO REVOKE LICENSE AND CITATIONS AND DESIST AND REFRAIN
ORDER

1 By reason of Respondent’s numerous and continuing violations of the CDDTL, the
2 Commissioner seeks to revoke the deferred deposit transaction originator license of Respondent
3 pursuant to section 23052.

4 In addition, the Commissioner has also taken the following actions:

5 1) Issued six (6) citations in the amount of \$2,500 per citation pursuant to section 23058 to
6 Respondent for violations of the CDDTL; and

7 2) Issued an order to Respondent to desist and refrain from engaging in deferred deposit
8 transactions in violation of numerous provisions of the CDDTL and its governing regulations.

9
10 **I.**

11 **FACTUAL BACKGROUND**

12 During all relevant times herein, Judy Salter dba Instant Cash (“Instant Cash”) is an
13 individual licensed as a deferred deposit transaction originator with its principal place of business
14 located at 16727 Bear Valley Rd., #200, Hesperia, CA 92345 and a second licensed location at 951
15 W. Foothill Blvd., Upland, CA 91786.

16 On or about January 31, 2007, the Commissioner commenced a regulatory examination of
17 the books and records of Instant Cash. The examination revealed that while engaged in the
18 business of deferred deposit transactions, Instant Cash violated provisions of the CDDTL as more
19 fully described below:

20 (a) The advertisements of Instant Cash do not comply with California Financial Code §
21 23027 (b) in that the advertisements do not state that the company is licensed by the
22 Department of Corporations pursuant to the CDDTL.

23 (b) Instant Cash failed to distribute to consumers a notice containing information
24 enumerated under California Financial Code § 23035 (c), including but not limited
25 to the following provisions:

26 i. The company may charge an additional fee of up to \$15 for a returned
27 check;

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- ii. The customer cannot be prosecuted in a criminal action in conjunction with a deferred deposit transaction for a returned check or be threatened with prosecution;
- iii. The licensee may not receive any collateral in conjunction with a payday loan;
- iv. The customer may not be required to pay treble damages if the customer’s check did not clear; and
- v. The department’s toll-free number for receiving calls regarding customer complaints and concerns.

Instant Cash’s failure to provide customers with a notice containing the above provisions is a violation of California Financial Code § 23035 (c).

- (c) Instant Cash failed to enter into written agreements for deferred deposit transactions with customers in violation of California Financial Code § 23035 (e).
- (d) Instant Cash failed to post notices in conspicuous view of the public in violation of California Financial Code § 23035 (d).
- (e) Instant Cash failed to provide a current quarterly financial statement as required by California Code of Regulations, Title 10, § 2025(b), demonstrating that the minimum net worth prescribed under California Financial Code § 23007 is met.
- (f) Instant Cash failed to maintain evidence of the check for each deferred deposit transaction in violation of California Code of Regulations Title 10, § 2025 (c)(1).

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**II.
CITATIONS
AND**

DESIST AND REFRAIN ORDER

(For violations of California Financial Code sections: 23007, 23027, 23035 (c)-(e), and California Code of Regulations, title 10, § 2025.

California Financial Code § 23058 states:

(a) If, upon inspection, examination or investigation, based upon a complaint or otherwise, the department has cause to believe that a person is engaged in the business of deferred deposit transactions without a license, or a licensee or person is violating any provision of this division or any rule or order thereunder, the department may issue a citation to that 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.

(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.

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California Financial Code § 23050 provides in pertinent part:

Whenever, in the opinion of the commissioner, any person is engaged in business in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner . . . the commissioner may order that person or licensee to desist and to refrain from engaging in the business 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.

CITATIONS

Instant Cash’s specific violations include the following California Financial Code sections: 23007, 23027, 23035 (c)-(e), and California Code of Regulations, title 10, § 2025. For Instant Cash’s violations, the Commissioner is issuing Citations A through F described as follows:

- (1) **CITATION A** – Instant Cash’s advertisement failed to comply with California Financial Code § 23027 (b).
- (2) **CITATION B** – Instant Cash failed to provide a written notice to consumers prior to entering into a deferred deposition transaction in violation of Code § 23035 (c).
- (3) **CITATION C** - Instant Cash failed to enter into written agreements for deferred deposit transactions with customers in violation of California Financial Code § 23035 (e).
- (4) **CITATION D** - Instant Cash failed to post notices in conspicuous view of the public in violation of California Financial Code § 23035 (d).
- (5) **CITATION E** - Instant Cash failed to provide a current quarterly financial statement as required by California Code of Regulations, Title 10, § 2025 (b), demonstrating that the minimum net worth prescribed under California Financial Code § 23007 are met.
- (6) **CITATION F** - Instant Cash failed to maintain evidence of the check for each deferred deposit transaction in violation of California Code of Regulations Title 10, § 2025 (c)(1).

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1 Pursuant to California Financial Code § 23058, Judy Salter dba Instant Cash is hereby
2 ordered to pay to the Commissioner within 30 days from the date of these citations, an
3 administrative penalty of two thousand five hundred dollars (\$2,500) for each of the six citations
4 listed below for the total amount of fifteen thousand dollars (\$15,000).

5 (1) **CITATION A** - \$2,500

6 (2) **CITATION B** - \$2,500

7 (3) **CITATION C** - \$2,500

8 (4) **CITATION D** - \$2,500

9 (5) **CITATION E** - \$2,500

10 (6) **CITATION F** - \$2,500

11 These Citations shall remain in full force and effect until further order of the Commissioner.

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13 **DESIST AND REFRAIN ORDER**

14 Pursuant to California Financial Code §§ 23050 and 23058, Judy Salter dba Instant Cash is
15 hereby ordered to desist and refrain from engaging in the business of deferred deposit transactions
16 in the State of California in violation of California Financial Code §§ 23007, 23027, 23035 (c)-(e)
17 and California Code of Regulations, title 10, § 2025.

18 The Desist and Refrain Order is necessary for the protection of consumers and consistent
19 with the purposes, policies and provisions of the CDDTL. This Order shall remain in full force and
20 effect until further order of the Commissioner.

21
22 **III.**

23 **ORDER REVOKING CALIFORNIA DEFERED DEPOSIT TRANSACTION LICENSE**

24 California Financial Code § 23052 provides in pertinent part:

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

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

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(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.

(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.

The Commissioner finds that, by reason of the foregoing, Judy Salter dba Instant Cash has violated California Financial Code §§ 23007, 23027, 23035 (c)-(e), and California Code of Regulations, title 10, § 2025 which are grounds to revoke the deferred deposit transaction license of Judy Salter dba Instant Cash.

WHEREFORE, IT IS PRAYED that the deferred deposit transaction license of Judy Salter dba Instant Cash be revoked.

Dated: January 17, 2008
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel
Enforcement Division