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California Corporations Commissioner
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9 CALIFORNIA CORPORATIONS COMMISSIONER

10
11 BEFORE THE DEPARTMENT OF CORPORATIONS
12 OF THE STATE OF CALIFORNIA
13

14 In the Matter of the Orders Issued to:)
15)
16 **Lenders International dba**) DESIST AND REFRAIN ORDER PURSUANT
www.advancemetoday.com,) TO CALIFORNIA FINANCIAL CODE
17) SECTION 23050; and
Respondent.)
18) ORDER VOIDING TRANSACTIONS AND
19) TO DISGORGE ALL CHARGES AND FEES
20) PURSUANT TO CALIFORNIA FINANCIAL
CODE SECTION 23060
21)

22 Complainant, the Commissioner of the Department of Corporations (“Commissioner” or
23 “Department”), is informed and believes, and based on such information and belief, finds as follows:

24 I.

25 **FACTUAL BACKGROUND**

26 Lenders International, doing business as www.advancemetoday.com (herein “ADVANCE”),
27 is located in Kingstown, St. Vincent and the Grenadines with a mailing address of Post Office Box
28 No. 1823, Pauls Avenue, Kingstown, St. Vincent 1823. ADVANCE transacts business in California,

1 by way of the internet.

2 ADVANCE offers deferred deposit transactions or “payday loans” to California residents by
3 way of telephone numbers (888) 408-4394 and (888) 408-9716; facsimile number (888) 660-2984;
4 internet website address www.advancemetoday.com; and email addresses
5 customersupport@advancemetoday.com, paymentarrangements@advancemetoday.com, and
6 collections@advancemetoday.com.

7 A deferred deposit transaction is a written transaction whereby one person gives funds to
8 another person upon receipt of a personal check, and it is agreed that the personal check would not be
9 deposited until a later date. “Personal check”, as referenced in California Financial Code section
10 23001, includes “the electronic equivalent of a personal check,” such as an Automated Clearing
11 House (“ACH”) or debit card transaction. ADVANCE offers these payday loans at a very high
12 annual percentage rate of interest to borrowers.

13 Since at least January, 2011, ADVANCE has engaged in the business of offering, originating,
14 or making deferred deposit transactions in California, as defined by the California Deferred Deposit
15 Transaction Law (“CDDTL”), as set forth in California Financial Code sections 23000 *et seq.*,
16 whereby ADVANCE either defers depositing the customer’s personal check or defers making an
17 agreed upon ACH deduction until a specific date pursuant to a written agreement for a fee or other
18 charge.

19 ADVANCE customers submit an online loan application through their website,
20 www.advancemetoday.com. Customers are required to provide their checking account information
21 from which ADVANCE eventually automatically debits payments, fees, and interest from the
22 borrowers. ADVANCE, however, then uses customers’ banking account information to deduct
23 additional fees and charges beyond what customers were told they would expect to pay, sometimes in
24 excess of more than double the amount of the original loan, and beyond what the CDDTL allows.

25 ADVANCE has not been issued a deferred deposit transaction originator license by the
26 Commissioner pursuant to the CDDTL. As such, ADVANCE is not authorized to engage in payday
27 lending, or to offer, originate, or make a deferred deposit transaction, arrange a deferred deposit
28 transaction for a deferred deposit originator, act as an agent for a deferred deposit originator, or assist

1 a deferred deposit originator in the origination of a deferred deposit transaction.

2 **II.**

3 **CDDTL VIOLATIONS AND ORDERS**

4 The Department is responsible for enforcing all provisions of the CDDTL, including the
5 regulation of deferred deposit transactions.

6 **A. Desist and Refrain Order**

7 The Commissioner is statutorily authorized to order any person to desist and refrain from
8 engaging in violations of the CDDTL. California Financial Code section 23050 provides, in pertinent
9 part:

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

15 The foregoing facts establish multiple violations of the CDDTL by Lenders International,
16 doing business as www.advancemetoday.com, including engaging in the business of originating or
17 offering to originate deferred deposit transactions without having first obtained a license to do so
18 from the California Corporations Commissioner in violation of section 23005(a). The issuance of a
19 Desist and Refrain Order, therefore, is necessary for the protection of consumers and is consistent
20 with the purposes, policies, and provisions of the CDDTL.

21 Pursuant to California Financial Code section 23050, Lenders International, doing business as
22 www.advancemetoday.com, is hereby ordered to desist and refrain from violating California
23 Financial Code section 23005(a). This Order shall remain in full force and effect until further order
24 of the Commissioner.

25 **B. Order Voiding California Deferred Deposit Transactions**

26 California Financial Code section 23060, subdivision (a), states:

27 If any amount other than, or in excess of, the charges or fees permitted by
28 this division is willfully charged, contracted for, or received, a deferred
deposit transaction contract shall be void, and no person shall have any right

1 to collect or receive the principal amount provided in the deferred deposit
2 transaction, any charges, or fees in connection with the transaction.

3 Lenders International, doing business as www.advancemetoday.com, willfully violated
4 provisions of the CDDTL by repeatedly charging California customers fees or charges without a
5 license in violation of section 23005, including excess fees and charges, in conjunction with deferred
6 deposit transactions. Because Lenders International, doing business as www.advancemetoday.com,
7 willfully charged its customers unauthorized fees or charges, Lenders International, doing business as
8 www.advancemetoday.com, is not entitled to collect or receive the principal amounts provided in
9 those deferred deposit transactions, nor is it entitled to any of the charges or fees associated with the
10 transactions.

11 Pursuant to California Financial Code section 23060, any and all deferred deposit
12 transactions contracted with California customers or in the State of California by Lenders
13 International, doing business as www.advancemetoday.com, are therefore void. Lenders
14 International, doing business as www.advancemetoday.com, is hereby ordered to immediately
15 return the principal amounts provided in any and all deferred deposit transactions contracted with
16 California customers or in the State of California, and to disgorge any and all charges or fees
17 received in conjunction with the deferred deposit transactions.

18 Dated: September 20, 2011
19 Sacramento, California

20 PRESTON DuFAUCHARD
21 California Corporations Commissioner

22 By: _____
23 ALAN S. WEINGER
24 Deputy Commissioner
25 Enforcement Division
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