



1 6. In all but one of the transactions described in the above paragraph, Pioneer failed to finalize  
2 loan agreements with the companies.

3 7. In many cases where Pioneer failed to finalize loan agreements with companies, Pioneer  
4 failed to refund any portion of the company's deposit or provide any accounting of Pioneer's due  
5 diligence costs.

6 8. Pioneer has not been issued a license by the Commissioner authorizing it to engage in the  
7 business of a finance lender and/or broker under the California Finance Lenders Law. Pioneer is not  
8 exempt from the licensing requirements of California Financial Code section 22100.

9 9. Furthermore, Pioneer's statements with respect to the terms and conditions of borrowers'  
10 loans were false, misleading, or deceptive, and omitted material information necessary to make the  
11 statements not false, misleading, or deceptive. Pioneer's false, misleading, or deceptive statements  
12 included, but are not limited to, falsely representing that Pioneer had a credit committee that could  
13 review and approve the transaction.

14 10. Pioneer's omissions included, but are not limited to, failing to disclose that Pioneer did not  
15 have the ability to fund the transactions without securing the approval of third parties other than  
16 Pioneer.

17 By reason of the foregoing, Financial Services Enterprises, doing business as Pioneer Capital,  
18 has engaged in the business of a finance lender and/or broker without having first obtained a license  
19 from the Commissioner in violation of California Financial Code section 22100.

20 Further, Financial Services Enterprises, doing business as Pioneer Capital, made statements  
21 that were otherwise false, misleading, or deceptive, or omitted material information necessary to  
22 make the statements not false, misleading, or deceptive, in violation of California Financial Code  
23 sections 22161(a-b).

24 Pursuant to California Financial Code section 22712, Financial Services Enterprises, doing  
25 business as Pioneer Capital, is ordered to desist and refrain from engaging in the business of a finance  
26 lender and/or broker in the State of California without first obtaining a license from the  
27 Commissioner, or otherwise being exempt.

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1 Further, pursuant to California Financial Code section 22712, Financial Services Enterprises,  
2 doing business as Pioneer Capital, is ordered to desist and refrain from making materially false or  
3 misleading statements or representations to borrowers about the terms and conditions of borrowers'  
4 loans, and from advertising, printing, displaying, publishing, distributing, or broadcasting any  
5 statement or representation that is false, misleading, or deceptive, or that omits material information  
6 necessary to make the statements not false, misleading, or deceptive when making loans.

7 This order is necessary, in the public interest, for the protection of California businesses, and  
8 is consistent with the purposes, policies, and provisions of the California Finance Lenders Law. This  
9 order shall remain in full force and effect until further order of the Commissioner.

10 Dated: March 10, 2016

11 San Francisco, California

12 JAN LYNN OWEN  
13 Commissioner of Business Oversight

14  
15 By: \_\_\_\_\_  
16 MARY ANN SMITH  
17 Deputy Commissioner  
18 Enforcement Division  
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