

In the Matter of the Citations and Desist and Refrain Order and Accusation in Support of Revocation of CDDTL Licenses issued to Nadia K. Haddad doing business as Cash It Quick

OAH Case Nos. 2008020258, 2008120580
Los Angeles Superior Court Case No. PS010677

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into as of February 4, 2009, by and between the Complainant, the California Corporations Commissioner (“Commissioner”), and Respondent Nadia K. Haddad (“Haddad”) doing business as Cash It Quick (“Cash It Quick”) (hereinafter collectively “the Parties”).

RECITALS

This Agreement is made with reference to the following facts:

- A. Cash It Quick is the fictitious business name for a sole proprietorship owned by Haddad. Cash It Quick has its principal place of business located at 43535 N. Gadsden Avenue, Suite F, Lancaster, California 93534. An additional place of business is located at 18503 Victory Boulevard, Reseda, California 91335.
- B. Haddad is the sole proprietor of Cash It Quick and is authorized to enter into this Agreement on her own behalf.
- C. Haddad holds license numbers 100-2682 and 100-2683 from the Commissioner under the California Deferred Deposit Transaction Law (“CDDTL”) pursuant to California Financial Code sections 23005, 23008 and 23009.
- D. On December 28, 2007, the Commissioner issued Citations and a Desist and Refrain Order to Haddad for violations of California Financial Code sections 23000 *et seq.*, served to Haddad on January 3, 2008. On February 15, 2008, the Commissioner issued a Statement in Support of the Citations and Desist and Refrain Order (“Statement in Support”). Copies of the Citations and Desist and Refrain Order and the Statement in Support are attached and incorporated herein as Exhibit 1.
- E. An administrative hearing concerning the Citations and Desist and Refrain Order took place at the Los Angeles Office of Administrative Hearings on March 20, 2008 (designated as OAH Case Number 2008020258). On April 15, 2008, the Office of Administrative Hearings issued its proposed decision. On July 24, 2008, the proposed decision was adopted by the Commissioner and 30 days thereafter became final

("Commissioner's Decision"). A copy of the Commissioner's Decision is attached and incorporated herein as Exhibit 2.

F. On April 2, 2008, Haddad filed with the Los Angeles Superior Court a document titled "Notice of Petition/Application for Judicial Review and Relief Under Government Code Section 11524(c) and Order to Set Aside the Administrative Law Judge Order Entered on March 18, 2008" ("Petition"). The Commissioner filed an Answer praying that the Petition be denied, and the matter (designated as Case Number PS010677) was set for trial on March 11, 2009 in Department 85 of the Los Angeles Superior Court.

G. On November 14, 2008, the Commissioner filed an Accusation in Support of Revocation of the CDDTL licenses of Haddad ("Accusation"). A copy of the Accusation is attached and incorporated herein as Exhibit 3. The matter concerning the Accusation (designated as OAH Case Number 2008120580) was set for hearing on March 2-3, 2009 at the Los Angeles Office of Administrative Hearings.

H. It is the intention of the parties to resolve this matter without the necessity of an administrative hearing or any other litigation.

NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the parties agree as follows:

TERMS AND CONDITIONS

1. Purpose. The purpose of this Agreement is to expeditiously resolve the Citations and Desist and Refrain Order, Accusation and Petition for Writ of Appeal, avoid the expense of a hearing, and possible further court proceedings.

2. Waiver of Hearing Rights. Haddad acknowledges her right to a hearing under the CDDTL in connection with the Citations and Desist and Refrain Order and Accusation referenced herein, and she hereby waives the right to a hearing, and to any reconsideration, appeal, or other right to review which may be afforded pursuant to the CDDTL, the California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law, and by waiving such rights, she consents to the Agreement becoming final.

3. Dismissal with Prejudice of Request for Administrative Hearing. Effective immediately, Haddad withdraws her request for an administrative hearing on all pending actions referenced herein. Haddad expressly dismisses with prejudice OAH Case Number 2008020258, which is set for hearing on March 2-3, 2009 before the Los Angeles Office of Administrative Hearings. Further, Haddad hereby stipulates that she authorizes the Commissioner to immediately petition the Office of Administrative Hearings to dismiss with prejudice all pending administrative actions referenced herein.

4. Dismissal with Prejudice of Petition for Writ of Appeal. Effective immediately, Haddad stipulates that all pending writs of appeal concerning any matter referenced herein shall be hereby dismissed with prejudice. Haddad expressly dismisses with

prejudice Los Angeles Superior Court Case Number PS010677, which is set for trial on March 11, 2009 in the Los Angeles Superior Court. Further, Haddad hereby stipulates that she authorizes the Commissioner to immediately file a Notice of Settlement of Entire Case form (CM-200) and a Request for Dismissal form (CIV-110) with the Los Angeles Superior Court. Haddad understands that the purpose of submitting forms CM-200 and CIV-110 is to request that the court dismiss with prejudice all pending writs filed in connection with the matters referenced herein. Copies of the forms CM-200 and CIV-110 signed by Haddad are attached as Exhibit 4.

5. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that it has received or been advised to seek independent legal advice from an attorney with respect to the advisability of executing this Agreement. Haddad acknowledges that she has willingly and knowingly decided to not seek the advice of legal counsel prior to entering into this Agreement.

6. Admissions. Haddad admits the facts recited in the Statement in Support of the Citations and Desist and Refrain Order and the Accusation solely for the limited purposes of this Agreement and any future proceeding(s) that may be initiated by or brought before the Commissioner against Haddad. It is the intent and understanding between the parties that this Agreement, and particularly the admissions of Haddad herein, shall not be binding against them in any action(s) with third parties.

7. Citations. Haddad hereby agrees to pay to the Commissioner citations of SIX THOUSAND DOLLARS (\$6,000) ("Citation Payment") in full satisfaction of the citations ordered by the Commissioner's Decision. The Citations shall be paid by way of twelve (12) equal installments of FIVE HUNDRED DOLLARS (\$500). The first installment payment shall be due on or before March 1, 2009. Thereafter, each installment payment shall be due on or before the 1st day of the month, with the final payment due on or before February 1, 2010. In the event the payment due date falls on a weekend or holiday, the payment shall be due the next business day. If Haddad fails to make full and timely payment in strict accord with the terms of this agreement, then the total amount of citations ordered in the Commissioner's Decision is immediately due and payable to the Department. Haddad acknowledges that the Commissioner retains all rights which may be afforded under the CDDTL, the California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection therewith, to pursue collection of the full citation amount (\$12,000) in the event of breach of this agreement. Haddad's Citation Payment shall be payable to the "California Department of Corporations" and delivered to: Department of Corporations, Enforcement Division, 1515 K Street, Suite 200, Sacramento, California 95814.

8. Failure to Timely Remit Citation Payments. Haddad acknowledges that failure to timely pay any installment payment pursuant to paragraph 7 under this agreement shall be a breach of this agreement and shall be cause for the Commissioner to immediately revoke any licenses held by, and/or deny any pending application(s) of Haddad, her successors and assigns, by whatever names they might be known, and/or any company owned or controlled by Haddad. Haddad hereby waives any notice and hearing rights to contest such revocations and/or denial(s) which may be afforded under the CDDTL, the

California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection therewith.

9. Waiver of Rights and Defenses to Commissioner's Claim Against Bond. Haddad acknowledges her right to challenge the Commissioner's claim to recover \$12,000 against Bond No. 51 BSB DO0091 from The Hartford in connection with the Citations and Desist and Refrain Order, Commissioner's Decision, and Accusation referenced herein. In the event that Haddad fails to make the Citation Payment in strict compliance with the terms set forth in paragraph 7 above, she understands the Commissioner will pursue full recovery of the \$12,000 claim (Claim No. 565 S 38214) which was filed with The Hartford against Bond No. 51 BSB DO0091 on December 22, 2008, and in regard to such claim, Haddad expressly waives all rights and defenses available as a principal under the terms of the bond.

10. Consent to Issuance of Order Revoking CDDTL License. Haddad hereby agrees to the issuance by the Commissioner of an Order Revoking CDDTL license numbers 100-2682 and 100-2683 pursuant to Financial Code section 23052 ("Revocation Order"), effective on February 28, 2009. This Revocation Order will preclude Haddad from engaging in any CDDTL activities beginning on February 28, 2009. This Revocation Order does not preclude Haddad from engaging in pure collection activities that permit: (1) receipt of cash from customers for existing transactions entered into before the date of revocation, (2) forwarding any checks received from Haddad's clients to a bank for deposit relating to transactions entered into before the date of revocation, (3) responding to regulatory inquiries from the Department of Corporations or other agencies, (4) making refunds to customers, and (5) otherwise responding to customer inquiries concerning existing transactions. A copy of the Revocation Order is attached as Exhibit 4 and incorporated herein by reference.

11. Future Actions by the Commissioner. The Commissioner reserves the right to bring any future actions against Haddad or any of her partners, employees or successors for any and all unknown or future violations of the CDDTL. This Agreement shall not serve to exculpate Haddad or any of her partners, employees or successors from liability for any and all unknown or future violations of the CDDTL. If it is found, after the execution of this Agreement, that Haddad has at any time violated any provision of the California Financial Code, the Commissioner reserves the right to take further action against Haddad, including but not limited to, imposing penalties and requesting restitution of all CDDTL transactions originated in breach of this Agreement. Haddad acknowledges and agrees that the Revocation Order provided for above in paragraph 8 shall not be the exclusive remedy available to the Commissioner in pursuing future violations but may be sought and employed in addition to any other remedy available pursuant to the CDDTL.

12. Settlement Agreement Coverage. The parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of the Citations and Desist and Refrain Order and Accusation referenced above in paragraph 3, as well as the pending Petition for Writ of Appeal referenced above in paragraph 4. The parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agencies with any

administrative, civil or criminal prosecution brought by any such agency against Haddad based upon any of the activities alleged in this matter or otherwise. This Agreement shall not become effective until signed by Haddad and delivered by all parties. Each of the parties represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

13. Full Integration. This Agreement, including the attached Exhibits, is the final written expression and the complete and exclusive statement of all the agreements, conditions, promises, representations, and covenants between the parties with respect to the subject matter hereof, and supercedes all prior or contemporaneous agreements, negotiations, representations, understandings, and discussions between and among the parties, their respective representatives, and any other person or entity.

14. No Presumption From Drafting. In that the parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected to, or involving this Agreement. Accordingly, the parties waive the benefit of California Civil Code section 1654 and any successor or amended statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.

15. Effective Date. This Agreement shall not become effective until signed by Haddad and delivered by all parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings five days after execution by the parties.

16. Counterparts. This Agreement may be executed in any number of counterparts by the Parties and when each Party has signed and delivered at least one such counterpart to the other Party, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement.

17. Modifications and Qualified Integration. No amendment, change or modification of this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of the parties affected by it.

18. Headings and Governing Law. The headings to the paragraphs of this Agreement are inserted for convenience only and will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof. This Agreement shall be construed and enforced in accordance with and governed by California law.

19. Authority For Settlement. Each Party covenants that they possess all necessary capacity and authority to sign and enter into this Agreement. Each Party warrants and represents that

such Party is fully entitled and duly authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of the foregoing, each Party warrants and represents that it is fully entitled to enter into the covenants, and undertake the obligations set forth herein.

20. Public Record. Haddad acknowledges that this Agreement is a public record.

21. Voluntary Agreement. The Parties each represent and acknowledge that he, she or it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

22. Notices. Notice shall be provided to each party at the following addresses:

If to Respondent to: Nadia K. Haddad dba Cash It Quick
8832 Hanna Avenue
West Hills, CA 91304

If to the Commissioner to: Steven C. Thompson, Special Administrator
Department of Corporations
320 W. 4th Street, Suite 750
Los Angeles, CA 90013-2344

IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on the dates set forth opposite their respective signatures.

Dated: 2/5/09

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division

NADIA K. HADDAD doing business as CASH IT
QUICK

Dated: 2/5/09

By _____
NADIA K. HADDAD
Owner