

1 DEMETRIOS A. BOUTRIS (CA BAR NO. 124161)  
California Corporations Commission  
2 ALAN S. WEINGER (CA BAR NO. 86717)  
Supervising Counsel  
3 VIRGINIA JO DUNLAP (CA BAR NO. 142221)  
Acting Supervising Counsel  
4 JUDY L. HARTLEY (CA BAR NO. 110628)  
Senior trial Counsel  
5 Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
6 Los Angeles, California 90013-2344  
Telephone: (213) 576-7604 Fax: (213) 576-7181  
7

8 Attorneys for Complainant

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

12 In the Matter of the ) Case No.: <sup>415</sup>~~413~~-0014  
13 THE CALIFORNIA CORPORATIONS )  
COMMISSIONER, ) FINAL ORDER TO DISCONTINUE  
14 ) VIOLATIONS PURSUANT TO CALIFORNIA  
15 Complainant, ) FINANCIAL CODE SECTION 50321  
16 vs. )  
17 LOANCITY.COM, )  
18 )  
19 Respondent. )

20  
21 TO: LOANCITY.COM  
22 6640 Via Del Oro  
San Jose, California 95119

23  
24 The California Corporations Commissioner (“Commissioner”) finds that:

25 1. On August 22, 2001, the Commissioner issued an Order To Discontinue Violations  
26 Pursuant to California Financial Code section 50321 against LOANCITY.COM based upon the  
27 Commissioner's findings during a regulatory examination commenced on March 5, 2001  
28 that LOANCITY.COM had (i) commingled trust funds with general operating funds in violation of  
California Financial Code section 50202(a), (ii) caused debit balances to exist in the trust account in

1 violation of California Code of Regulations, title 10, section 1950.314.6, (iii) used trust funds for  
2 operating activities in violation of California Financial Code sections 50202(b) and 50503(a)(1), and  
3 (iv) placed trust funds in an interest bearing account in violation of California Financial Code section  
4 50202(b).

5 2. On August 22, 2001, LOANCITY.COM was served with the Order To Discontinue  
6 Violations Pursuant to California Financial Code Section 17602, Notice of Intent to Make Order  
7 Final, Statement of Facts, and accompanying documents at its licensed location by way of certified,  
8 return-receipt mail.

9 3. On September 5, 2001, LOANCITY.COM filed its Notice of Defense requesting a  
10 hearing, which Notice of Defense was subsequently withdrawn by LOANCITY.COM on November  
11 27, 2001;

12 THEREFORE, pursuant to the provisions of California Financial Code section 50323, the  
13 Order to Discontinue Violations Pursuant to California Financial Code Section 50321 described in  
14 paragraph 1 above is hereby final.

15 NOW, BASED ON THE FOREGOING, LOANCITY.COM is hereby ORDERED under the  
16 provisions of California Financial Code sections 50321 and 50323, to immediately discontinue the  
17 violations set forth above.

18 Dated: April 26, 2002

19 Los Angeles, CA

DEMETRIOS A. BOUTRIS  
California Corporations Commissioner

20  
21  
22 By \_\_\_\_\_  
23 DiAun Burns  
24 Special Administrator  
25 California Residential Mortgage Lending Act  
26  
27  
28