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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: PAYDAY YOUR WAY, INC.
5945 Mission Gorge Road, #1
San Diego, CA 92120

CITATION(S)
AND
DESIST AND REFRAIN ORDER
(Pursuant to California Financial Code section 23058)

The California Corporations Commissioner finds that:

1. Payday Your Way, Inc. , hereinafter (“Licensee”) is, and was at all relevant times herein, a corporation, with its principal place of business located at 5945 Mission Gorge Rd. #1, San Diego, CA 92120.

2. On or about May 3, 2005, Licensee obtained a license from the California Corporations Commissioner (“Commissioner”) to engage in the business of deferred deposit transactions at 5945 Mission Gorge Rd. #1, San Diego, CA 92120.

3. An examination of Licensee conducted by the Commissioner on October 1, 2007 disclosed the following violation(s) at 5945 Mission Gorge Rd. #1, San Diego, CA 92120.

Citation A. Licensee failed to include disclosure in advertising that licensee is licensed by the Department of Corporations pursuant to the California Deferred Deposit Transaction Law in violation of Financial Code section 23027.

Citation B. Licensee failed to include the Department’s toll free number, which is 1-(866) Ask Corp (275-2677), in the notice distributed to the customer prior to entering into the agreement in violation of Financial Code section 23035 (c) (4).

Citation C. Licensee failed to post the required notice in the unobstructed view of the public at its licensed location in violation of California Financial Code sections 23035 (d) and 23019.

1 Citation D. Licensee failed to disclose correct Annual Percentage Rate for deferred deposit
2 transactions in Agreement in violation of Financial Code section 23035 (e) (1).

3 Citation E. Licensee failed to include the name, address and telephone number of the
4 licensee in the agreement in violation of California Financial Code section 23035 (e) (3).

5 Citation F. Licensee failed to maintain records demonstrating minimum net worth of
6 \$25,000 in compliance with California Financial Code Section 23007, including quarterly unaudited
7 balance sheets, in violation of California Code of Regulations section 2025 (b).

8 Citation G. Licensee failed to maintain evidence of the customers' checks in violation of
9 California Code of Regulations section 2025 (c) (1).

10 Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to
11 the Commissioner an administrative penalty for the licensed location at 5945 Mission Gorge Rd.
12 #1, San Diego, CA 921202263 in the total amount \$14,000 for the following Citations within 30
13 days from the date of these Citations.

14 Citation A. \$2,500

15 Citation B. \$1,500

16 Citation C. \$2,500

17 Citation D. \$1,500

18 Citation E. \$1,000

19 Citation F. \$2,500

20 Citation G. \$2,500

21 Pursuant to California Financial Code section 23050, Licensee is hereby ordered to desist
22 and refrain from engaging in the business of deferred deposit transactions in the State of
23 California in violation of the above referenced sections.

24 These Citations and Desist and Refrain Order are necessary, in the public
25 interest, for the protection of consumers and is consistent with the purposes, policies and
26 provisions of the California Deferred Deposit Transaction Law. These Citations and Desist and
27 Refrain Order shall remain in full force and effect until further order of the Commissioner.

28 These Citations are separate from any further action that may include other administrative,

1 civil or criminal remedies that the Commissioner may take based upon the violations of law cited
2 herein or otherwise.

3
4 California Financial Code section 23058 provides, in relevant part:

5 (a) If, upon inspection, examination or investigation, based upon a
6 complaint or otherwise, the department has cause to believe that a person
7 is engaged in the business of deferred deposit transactions without a license,
8 . . . the department may issue a citation to that person in writing, describing
9 with particularity the basis of the citation. Each citation may contain . . . an
10 assessment of an administrative penalty not to exceed two thousand five hundred
11 dollars (\$2,500)

12 . . .
13 (c) If within 30 days from the receipt of the citation of the person cited fails
14 to notify the department that the person intends to request a hearing as
15 described in subdivision (d), the citation shall be deemed final.

16 (d) Any hearing held under this section shall be conducted in accordance with
17 Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2
18 of the Government Code

19 California Financial Code section 23050 provides:

20 Whenever, in the opinion of the commissioner, any person is engaged in the
21 business of deferred deposit transactions, as defined in this division, without
22 a license from the commissioner, or any licensee is violating any provision
23 of this division, the commissioner may order that person or licensee to desist
24 and to refrain from engaging in the business or further violating this division.
25 If, within 30 days, after the order is served, a written request for a hearing is
26 filed and no hearing is held within 30 days thereafter, the order is rescinded.

27 The request for a hearing may be made by delivering or mailing a written request to:

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Steven Thompson
Special Administrator
California Deferred Deposit Transaction Law
Department of Corporations
320 West 4th Street, Ste. 750
Los Angeles, California 90013-2344
(213) 576-7610

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Dated: December 28, 2007
Los Angeles, CA

PRESTON DUFAUCHARD
California Corporations Commissioner

By _____
STEVEN C. THOMPSON
Special Administrator
California Deferred Deposit Transaction Law