

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
3 DIVISION OF BANKING AND SECURITIES  
4 550 WEST SEVENTH AVENUE, SUITE 1940  
5 ANCHORAGE, ALASKA 99501

6 In the Matter of: )  
7 )  
8 CashCall, Inc., )  
9 )  
10 Respondent. )  
11 )  
12 ) Case No. 2010-001035

13 **CONSENT ORDER**

14 **I. INTRODUCTION**

15 The Alaska Department of Commerce, Community, and Economic Development  
16 ("department"), Division of Banking and Securities ("Division"), administers the Alaska Secure and  
17 Fair Enforcement for Mortgage Licensing Act of 2010, Alaska Statutes ("AS") 06.60. Having  
18 conducted an investigation under AS 06.60.250, the Division finds as follows:

19 **II. STATEMENT OF FACTS**

20 **2.1. Respondent.** CashCall, Inc. ("Respondent") has applied for an Alaska mortgage  
21 license, also known as a mortgage broker/lender license.

22 **2.2. Location.** Respondent maintains its principal place of business at 1600 South  
23 Douglass Road, Anaheim, California 92806-5998.

24 **2.3. Application.** On August 19, 2010, Respondent submitted the Uniform Mortgage  
25 Lender/Mortgage Broker Application ("Form MU1") to the Division through the Nationwide  
26 Mortgage License System and Registry ("NMLS" or "registry").

27 **2.4. Averment.** On August 19, 2010, Hilary Holland, Vice President of CashCall, stated  
28 under oath that she signed the Form MU1 on behalf, and with the authority, of CashCall, Inc., and  
29 that the information provided on the application was current, true, and complete, under penalty of  
30 perjury, or unsworn falsification to authorities, or similar provisions as provided by law.

31 **2.5. Nondisclosure.** On August 19, 2010, Respondent answered "NO" to  
32 Question 9(F)(1) on Form MU1 that asks, "Has any domestic or foreign court: (a) in the past ten  
33

1 years enjoined the entity or a control affiliate in connection with any financial services-related  
2 activity?"

3 **2.6. Form MU1 Definition.** Form MU1 defines "financial services-related" as  
4 pertaining to securities, commodities, banking, insurance, consumer lending,  
5 or real estate (including, but not limited to; acting as or being associated  
6 with a bank or savings association, credit union, mortgage lender, mortgage  
7 broker, real estate salesperson or agent, closing agent, title company, or  
8 escrow agent).  
9

10 **2.7. Injunction.** On August 24, 2009, CashCall, Inc., was enjoined by the California  
11 Superior Court for the County of Los Angeles in Civil Action No. BC420115, filed by the State of  
12 California. CashCall, Inc. was permanently enjoined from committing numerous illegal acts and  
13 practices relating to the offering and collection of consumer loans, including loans secured by  
14 personal property.

15 **2.8. Division Discovery of Injunction.** As part of its investigation of CashCall's  
16 application, the Division discovered the Final Judgment and Permanent Injunction described in  
17 paragraph 2.7 above. On November 2, 2010, the Division contacted Respondent regarding the  
18 undisclosed judgment and injunction. In response, Jordana Gilden, Associate Counsel for  
19 Respondent, indicated a desire to change the application, Form MU1, to disclose the Final  
20 Judgment and Permanent Injunction of August 24, 2009.

21 **2.9. Amended Answer.** On November 12, 2010, Respondent changed its answer to  
22 Question 9(F)(1) on Form MU1 in the electronic registry to "YES."

### 23 **III. LEGAL STANDARDS**

24 **3.1. Licensing Requirements.** AS 06.60 governs the licensing of mortgage  
25 brokers/mortgage lenders and mortgage loan originators in Alaska. Under AS 06.60.010, a person  
26 operating in Alaska as a mortgage broker or mortgage lender is required to obtain a mortgage  
27 broker/mortgage lender license, also known as a mortgage license.

28 **3.2. Application for License.** Under AS 06.60.020 and 3 AAC 14.055 an application for  
29 a mortgage license must be on the form prescribed by the department and the registry and contain  
30 complete information regarding the applicant.

31 **3.3. Untrue, Misleading, or False Statements.** Under AS 06.60.905, a person may not,  
32 in a document filed with the department, make or cause to be made an untrue statement of a  
33 material fact, or omit to state a material fact necessary in order to make the statement made, in light  
34 of the circumstances under which it is made, not misleading or false.



1 above; and (2) a copy of this Consent Order with the original signature of the individual executing  
2 the Consent Order on behalf of CashCall, Inc.

3 **4.8. Authority to Execute Order.** The undersigned warrants that he/she has full  
4 authority and right to execute this Consent Order on behalf of CashCall, Inc.

5 **4.9. Representatives/Successors.** This Consent Order shall be binding on all  
6 employees, agents, officers, directors, and other representatives, successors, or assigns of  
7 Respondent.

8 **4.10. Waiver of Hearing.** Respondent acknowledges and waives its right to a hearing  
9 before an administrative law judge or any other administrative or judicial review of the Consent  
10 Order or the issues raised in this matter. Respondent understands and agrees that it is relieving the  
11 Division of the burden of proving the facts admitted in this Consent Order.

12 **4.11. Non-compliance with Order.** Respondent understands that its failure to abide by  
13 the terms and conditions of this Consent Order may provide grounds for the denial of licensure or  
14 other legal action by the Division. If Respondent fails to perform its obligations under this Consent  
15 Order, Respondent shall reimburse the Division for its costs, including attorney's fees, incurred in  
16 pursuing legal action.

17 **4.12. Agreement Read and Understood/Advice of Counsel.** Respondent has read and  
18 understands this Consent Order in its entirety, having had an unrestricted opportunity to obtain the  
19 advice of counsel in regard to the meaning of this Consent Order.

20 **4.13. Amendment.** This Consent Order may be modified only by written amendment  
21 signed by both parties.

22 **4.14. Effective Date.** This agreement is effective when signed by the Division Director.

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