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**STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION**

1830 E College Parkway, Suite 100
Carson City, Nevada 89706
(775) 684-2970

In Re:

Star Loan Centers,

Respondent.

**ORDER TO CEASE AND DESIST
VIOLATIONS OF NRS 604A AND NAC
604A AND UNLICENSED ACTIVITY;
APPEAL RIGHTS**

**ORDER TO CEASE AND DESIST
VIOLATIONS OF NRS 604A AND NAC 604A ACTIVITIES AND UNLICENSED
ACTIVITIES**

The State of Nevada, Department of Business and Industry, Financial Institutions Division (hereinafter "Division") hereby orders Star Loan Centers (hereafter "Respondent") to cease and desist from any and all activities that are in violation of Chapter 604A of the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC").

JURISDICTION

1. Deferred deposit loan services, high interest loan services, title loan services and check cashing services in the State of Nevada are governed by NRS Chapter 604A and NAC Chapter 604A. The Division has primary jurisdiction for the licensing and regulation of persons operating and/or engaging in deferred deposit loan service, high interest loan service, title loan service and check cashing service activities or persons seeking to evade the application of NRS Chapter 604A. See generally NRS 604A.020-.030, 604A.050-.060, 604A.080, 604A.095-.110, 604A.200, 604A.300, 604A.400, 604A.600 and 604A.710.

2. The Division also has primary jurisdiction for the licensing and regulation of persons engaging in the business of lending in the State of Nevada where such lending is

1 not governed by NRS Chapter 604A. See NRS 675.060. Under NRS 675.060, a person is
2 engaged in the business of lending in this state under NRS Chapters 604A and 675 if he (a)
3 solicits loans in this State or makes loans to persons in this State, unless these are isolated,
4 incidental or occasional transactions; or (b) is located in this State and solicits loans outside
5 of this State or makes loans to persons located outside of this State, unless these are
6 isolated, incidental or occasional transactions.

7 3. Pursuant to the authority vested by NRS Chapters 604A and 675, the Division
8 hereby makes the following Findings of Fact, Conclusions of Law, and Order.

9 **FINDINGS OF FACT**

10 4. Respondent is registered under the laws of the State of Nevada, and its resident
11 agent is Jonathon Dale Amos, located at 2801 Maryland Hills Avenue, Henderson, Nevada
12 89052.

13 5. Respondent operates the business of lending at the following locations: 432 E.
14 Sahara Avenue, Las Vegas, Nevada 89104, 9620 Las Vegas Boulevard S. Suite E-1, Las
15 Vegas, Nevada 89123, and 6433 W. Charleston Boulevard, Las Vegas, Nevada 89146.

16 6. Respondent is a Nevada corporation with its address located in the State of
17 Nevada, and is therefore doing business in the State of Nevada.

18 7. On August 31, 2016, an examination was conducted upon the Respondent's
19 licensed locations, and an investigation was conducted on the unlicensed location at 6433
20 W. Charleston Boulevard, Las Vegas, Nevada 89146.

21 8. Violations of NRS Chapter 604A and NAC Chapter 604A were discovered
22 through the examination and investigation.

23 9. If any finding of fact is more properly characterized as a conclusion of law, it
24 shall be construed as such.

25 **CONCLUSIONS OF LAW**

26 10. The violations discovered during the examination conducted on August 31,
27 2016, include, but are not limited to, the following:
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1 a. NRS 604A.425 and NAC 604A.180 as repeat violations for extending loans to
2 two borrowers exceeding twenty five percent (25%) of the borrowers' gross monthly
3 income;

4 b. NRS 604A.410 as a repeat violation for failing to disclose the correct
5 business address on loan agreements;

6 c. NRS 604A.475 and NAC 604A.170 for failing to send notification of the
7 customer's option to enter into a repayment plans upon default of the loan before
8 commencing any civil action as stated in the loan agreement;

9 d. NRS 604A.440, NRS 604A.465 and NRS 604A.470 for failing to disclose
10 information about the loan on the receipt when accepting payments;

11 e. NAC 604A.060, NAC 604A.100, NAC 604A.130, NAC 604A.140, NAC
12 604A.230, NRS 604A.075, NRS 604A.300, NRS 604A.400, NRS 604A.405, NRS
13 604A.440, NRS 604A.530, NRS 604A.645, NRS 604A.650 and NRS 604A.655 for
14 failing to inform the Division of a change of control and for failing to secure a license at
15 6433 W. Charleston Boulevard, Las Vegas, Nevada 89146 prior to lending to Nevada
16 residents.

17 11. NRS 604A.400 provides:

18 1. A person, including, without limitation, a person licensed to
19 Chapter 675 of NRS, shall not operate a check-cashing service,
20 deferred deposit loan service, high interest loan service or title
21 loan service unless the person is licensed with the Commissioner
22 pursuant to the provisions of this Chapter.

23 2. A person must have a license regardless of the location or
24 method that the person uses to operate such a service, including,
25 without limitation, at a kiosk, through the Internet, through any
26 telephone, facsimile machine or other telecommunication device
27 or through any other machine, network, system, device or means,
28 except that the person shall not operate such a service through
any automated loan machine in violation of the provisions of
subsection 3.

3. A person shall not operate a deferred deposit loan service or
high interest loan service through any automated loan machine,
and the Commissioner shall not issue a license that authorizes the
licensee to conduct business through any automated loan
machine.

1 4. Any person, and any member, officer, director, agent or
2 employee thereof, who violates or participates in the violation of
any provision of this section is guilty of a misdemeanor.

3 12. The procedure for taking disciplinary action is as follows:

4 NRS 604A.820 Procedure for taking disciplinary action; authorized
5 disciplinary action; grounds.

6 1. If the Commissioner has reason to believe that grounds for
7 revocation or suspension of a license exist, he shall give 20 days'
8 written notice to the licensee stating the contemplated action and,
in general, the grounds therefore and set a date for a hearing.

9 2. At the conclusion of a hearing, the Commissioner shall:

10 (a) Enter a written order dismissing the charges, revoking the
11 license or suspending the license for a period of not more than 60
days, which period must include any prior temporary suspension.
The Commissioner shall send a copy of the order to the licensee
by registered or certified mail.

12 (b) Impose upon the licensee an administrative fine of not more
13 than \$10,000 for each violation by the licensee of any provision of
this chapter or any regulation adopted pursuant thereto.

14 (c) If a fine is imposed pursuant to this section, enter such order as
is necessary to recover the costs of the proceeding, including his
investigative costs and attorney's fees.

15 3. The grounds for revocation or suspension of a license are that:

16 (a) The licensee has failed to pay the annual license fee;

17 (b) The licensee, either knowingly or without any exercise of due
care to prevent it, has violated any provision of this chapter or any
lawful regulation adopted pursuant thereto;

18 (c) The licensee has failed to pay a tax as required pursuant to the
provisions of chapter 363A of NRS;

19 (d) Any fact or condition exists which would have justified the
20 Commissioner in denying the licensee's original application for a
license pursuant to the provisions of this chapter; or

21 (e) The licensee:

22 (1) Failed to open an office for the conduct of the business
authorized by his license within 180 days after the date his license
was issued; or

23 (2) Has failed to remain open for the conduct of the business for a
period of 180 days without good cause therefore.

24 4. Any revocation or suspension applies only to the license
25 granted to a person for the particular office for which grounds for
revocation or suspension exist.

26 5. An order suspending or revoking a license becomes effective 5
27 days after being entered unless the order specifies otherwise or a
stay is granted.

1 13. As stated above, Respondent has engaged in five (5) violations of NRS Chapter
2 604A and NAC Chapter 604A.

3 14. The procedure for discipline of a licensee is established in NRS Chapter 604A.

4 15. Respondent has engaged in unlicensed activity either under NRS Chapter 604A or
5 under NRS Chapter 675.

6 16. Respondent has the required licenses for two (2) of its branch locations, and
7 therefore, is aware of the license requirement for the 6433 W. Charleston Boulevard, Las
8 Vegas, Nevada 89146 location. Furthermore, the Respondent was informed by the Division
9 both in verbal and written communications that the 6433 W. Charleston Boulevard, Las
10 Vegas, Nevada 89146 location could not operate without a license. Division Examiners
11 conducted physical inspections on August 31, 2016, and December 6, 2016. After the
12 inspection, an exit meeting was held on December 8, 2016, and the Report of Examination
13 was sent to the Respondent on December 29, 2016. During the inspection, exit meeting, and
14 in the Report of Examination, the Division informed the Respondent that operating without a
15 license was in violation of NRS Chapter 604A. Accordingly, the unlicensed activity is willful
16 pursuant to NRS 604A.900.

17 17. NRS Chapter 604A states the following remedies for willful violations of the
18 Chapter:

19 NRS 604A.900 Remedies for certain willful violations.

20 1. Except as otherwise provided in this section, if a licensee
willfully:

21 (a) Enters into a loan agreement for an amount of interest or any
22 other charge or fee that violates the provisions of this Chapter or
any regulation adopted pursuant thereto;

23 (b) Demands, collects or receives an amount of interest or any
24 other charge or fee that violates the provisions of this Chapter or
any regulation adopted pursuant thereto; or

25 (c) Commits any other act or omission that violates the provisions
of this Chapter or any regulation adopted pursuant thereto,

26 (d) the loan is void and the licensee is not entitled to collect,
27 receive or retain any principal, interest or other charges or fees
with respect to the loan.

28 2. The provisions of this section do not apply if:

(a) A licensee shows by a preponderance of the evidence that the
violation was not intentional and resulted from a bona fide error of

1 computation, notwithstanding the maintenance of procedures
2 reasonably adapted to avoid that error; and

3 (b) Within 60 days after discovering the error, the licensee notifies
4 the customer of the error and makes whatever adjustments in the
5 account are necessary to correct the error.

6 18. NRS Chapter 604A states the following remedies for conducting lending
7 activity without a license:

8 NRS 604A.910 Administrative fines for unlicensed activity

9 In addition to any other remedy or penalty, the Commissioner may
10 impose an administrative fine of not more than \$50,000 upon a
11 person who, without a license, conducts any business or activity
12 for which a license is required pursuant to the provisions of this
13 Chapter.

14 NRS 604A.920 Other remedies for unlicensed activity. If a
15 person operates a check-cashing service, deferred deposit loan
16 service, high-interest loan service or title loan service without
17 obtaining a license pursuant to this chapter:

18 1. Any contracts entered into by that person for the cashing of a
19 check or for a deferred deposit loan, high-interest loan or title loan
20 are voidable by the other party to the contract; and

21 2. In addition to any other remedy or penalty, the other party to
22 the contract may bring a civil action against the person pursuant to
23 NRS 604A.930.

24 NRS 604A.930 Civil action.

25 1. Subject to the affirmative defense set forth in subsection 3, in
26 addition to any other remedy or penalty, if a person violates any
27 provision of NRS 604A.400, 604A.410 to 604A.500, inclusive,
28 604A.610, 604A.615, 604A.650 or 604A.655 or any regulation
adopted pursuant thereto, the customer may bring a civil action
against the person for:

(a) Actual and consequential damages;

(b) Punitive damages, which are subject to the provisions of NRS
42.005;

(c) Reasonable attorney's fees and costs; and

(d) Any other legal or equitable relief that the court deems
appropriate.

2. Subject to the affirmative defense set forth in subsection 3, in
addition to any other remedy or penalty, the customer may bring a
civil action against a person pursuant to subsection 1 to recover an
additional amount, as statutory damages, which is equal to \$1,000
for each violation if the person knowingly:

(a) Operates a check-cashing service, deferred deposit loan
service, high-interest loan service or title loan service without a
license, in violation of NRS 604A.400;

1 (b) Fails to include in a loan agreement a disclosure of the right of
the customer to rescind the loan, in violation of NRS 604A.410;

2 (c) Violates any provision of NRS 604A.420;

3 (d) Accepts collateral or security for a deferred deposit loan, in
4 violation of NRS 604A.435, except that a check or written
authorization for an electronic transfer of money shall not be
deemed to be collateral or security for a deferred deposit loan;

5 (e) Uses or threatens to use the criminal process in this State or
any other state to collect on a loan made to the customer, in
6 violation of NRS 604A.440;

7 (f) Includes in any written agreement a promise by the customer
to hold the person harmless, a confession of judgment by the
customer or an assignment or order for the payment of wages or
8 other compensation due the customer, in violation of NRS
604A.440;

9 (g) Violates any provision of NRS 604A.485;

10 (h) Violates any provision of NRS 604A.490; or

11 (i) Violates any provision of NRS 604A.442.

12 3. A person may not be held liable in any civil action brought
pursuant to this section if the person proves, by a preponderance
of evidence, that the violation:

13 (a) Was not intentional;

14 (b) Was technical in nature; and

15 (c) Resulted from a bona fide error, notwithstanding the
16 maintenance of procedures reasonably adapted to avoid any such
error.

17 4. For the purposes of subsection 3, a bona fide error includes,
without limitation, clerical errors, calculation errors, computer
malfunction and programming errors and printing errors, except
18 that an error of legal judgment with respect to the person's
obligations under this chapter is not a bona fide error.

19 19. Further, the Division has the statutory authority to order that Respondent cease
20 and desist from any and all activity in violation of NRS Chapter 604A.

21 NRS 604A.810 Order to desist and refrain; action to enjoin
22 violation; appointment of receiver.

23 1. Whenever the Commissioner has reasonable cause to believe
that any person is violating or is threatening to or intends to violate
any provision of this Chapter, he may, in addition to all actions
24 provided for in this Chapter and without prejudice thereto, enter an
order requiring the person to desist or to refrain from such
25 violation.

26 2. The Attorney General or the Commissioner may bring an
action to enjoin a person from engaging in or continuing a violation
or from doing any act or acts in furtherance thereof. In any such
27 action, an order or judgment may be entered awarding a
preliminary or final injunction as may be deemed proper.
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1 3. In addition to all other means provided by law for the
2 enforcement of a restraining order or injunction, the court in which
3 an action is brought may impound, and appoint a receiver for, the
4 property and business of the defendant, including books, papers,
5 documents and records pertaining thereto, or so much thereof as
6 the court may deem reasonably necessary to prevent violations of
7 this Chapter through or by means of the use of property and
8 business. A receiver, when appointed and qualified, has such
9 powers and duties as to custody, collection, administration,
10 winding up and liquidation of such property and business as may
11 from time to time be conferred upon him by the court.

12 20. The Commissioner has reasonable cause to believe that Respondent is violating
13 or is threatening to or intends to violate provisions of NRS Chapter 604A and NAC Chapter
14 604A.

15 21. The Commissioner believes that the actions by Respondent are willful and
16 intentional.

17 22. As all contracts were done in intentional violation of the law, all contracts
18 entered into by Respondent from the unlicensed location at 6433 W. Charleston Boulevard,
19 Las Vegas, Nevada 89146 are void, and Respondent "is not entitled to collect, receive or
20 retain any principal, interest or other charges or fees" from those contracts pursuant to NRS
21 604A.900.

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1 d. Respondent shall also comply with any additional disciplinary measures the ALJ
2 may deem necessary, should the matter proceed to a hearing.
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6 DATED this 25th day of January, 2017.

7 STATE OF NEVADA
8 DEPARTMENT OF BUSINESS AND INDUSTRY
9 FINANCIAL INSTITUTIONS DIVISION

10 By: _____

11 MARY YOUNG
12 Acting Deputy Commissioner
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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Financial Institutions Division, and that on January 25, 2017, I deposited in the U.S. mail, postage prepaid, via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing **ORDER TO CEASE AND DESIST VIOLATIONS OF NRS CHAPTER 604A and NAC 604A and UNLICENSED ACTIVITIES**, addressed as follows:

Star Loan Centers
Attention: Jonathon Dale Amos
432 E Sahara Avenue
Las Vegas, Nevada 89104

Star Loan Centers
Attention: Jonathon Dale Amos
2801 Maryland Hills Avenue
Henderson, Nevada 89052

DATED this 25th day of January, 2017

By:  _____