

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

IN RE:

ON CALL CASH, LLC,

Respondent.

**STIPULATION FOR SETTLEMENT
OF DISCIPLINARY ACTION**

STIPULATION FOR SETTLEMENT OF DISCIPLINARY ACTION

This Stipulation for Settlement of Disciplinary Action ("Stipulation") is entered into between Petitioner, State of Nevada, Department of Business and Industry, Financial Institutions Division ("Division") through its Commissioner, George E. Burns, and Respondent, On Call Cash ("Respondent"), through its Managing Member, Michael Sorriello ("Sorriello").

JURISDICTION

Respondent stipulates and agrees that it was at all relevant times, licensed in Nevada by the Division as alleged in the Complaint. Respondent agrees that it is subject to Nevada Revised Statutes ("NRS") Chapter 604A and Nevada Administrative Code ("NAC") Chapter 604A and to the jurisdiction of the Division.

SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT

1. Respondent is incorporated as a domestic corporation under the laws of Nevada, and its principal Nevada office is located at 467 E. Silverado Ranch Blvd., Suite 110, Las Vegas, Nevada 89183.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

2. Sorrillo is Respondent's registered agent and managing member.

3. Respondent is licensed, by the Division and pursuant to Chapter 604A, to provide title loans at three (3) locations in Nevada.

4. On or about August 20, 2013, the Division commenced its annual examination of Respondent. The examination revealed several violations of Chapter 604A, particularly, accepting a boat as collateral for a title loan in violation of NRS 604A.110, NRS 604A.115, and NRS 604A.125. Sorrillo participated in the Exit Meeting at the conclusion of the examination and was informed that accepting a boat as collateral for a title loan is a violation of NRS 604A.125 because a boat is not a vehicle intended for land transportation, and therefore cannot be used to secure a title loan. Sorrillo ensured Respondent's future compliance.

5. On or about October 6, 2015, customer S.F. submitted a loan application to Respondent using a 2002 Eliminator boat ("Boat") as collateral and security for the loan, and Respondent accepted the boat as collateral and security for the loan.

6. According to the Title Loan Agreement and Disclosure Statement ("Agreement"), the title loan included the following terms:

- a. Annual percentage rate—144.78333%
- b. Finance charge—\$1,785.00
- c. Amount financed—\$15,000.00
- d. Total of payments—\$16,785.00

7. The loan required one (1) payment in the amount of \$16,785.00, which was due to Respondent on November 5, 2015. However, on or about November 6, 2015, customer S.F. signed a second Agreement. The new Agreement included the VIN number for the Boat's trailer ("Trailer"), and the payment due date changed to December 6, 2015. All other terms for the loan remained the same.

8. On November 5, 2015, Nevada Department of Motor Vehicles issued a Certificate of Title for the Trailer listing customer S.F. as the owner and Respondent as

1 the lienholder.

2 9. On November 9, 2015, Nevada Department of Wildlife issued a Nevada
3 Boat Number Assignment for the Boat listing customer S.F. as the registered owner and
4 Respondent as the legal owner.

5 10. Customer S.F. did not submit the payment as required on December 6,
6 2015.

7 11. On December 7, 2015, Respondent transferred title of the Boat from
8 customer S.F.'s name to that of Respondent's, and a Certificate of Ownership was issued
9 by Nevada Department of Wildlife reflecting the transfer.

10 12. On or about December 8, 2015, customer S.F. passed away.

11 13. On or about March 21, 2016, the Division received a complaint from a
12 representative for customer S.F. alleging that Respondent was in possession of the Boat
13 and Trailer.

14 14. On or about April 15, 2016, the Division submitted the complaint to
15 Respondent. On or about April 21, 2016, in response to the complaint, Respondent
16 provided the Division with copies of the Agreements, the December 7, 2015, Certificate
17 of Ownership, and the November 5, 2015 Certificate of Title.

18 15. The Division filed a formal complaint ("Complaint") against Respondent on
19 or about May 20, 2016, after an investigation into the allegations in the March 21, 2016,
20 complaint.

21 **SUMMARY OF VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

22 16. Respondent violated NRS 604A.125 and NRS 604A.435(1)(a) by accepting
23 the Boat as collateral for a title loan because the Boat is not a vehicle "designed or
24 intended for land transportation" as required by NRS 604A.125.

25 **SETTLEMENT**

26 17. The Division was prepared to present its case to the assigned
27 Administrative Law Judge ("ALJ") based upon the Complaint filed by the Division.
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

18. Respondent admits to the facts and violations of law as alleged in the Complaint.

19. The Parties desire to compromise and settle the instant controversy upon the foregoing terms and conditions:

20. Respondent admits and acknowledges that the violations as stated herein were willful because during the 2013 annual examination, Respondent was informed that accepting a boat as collateral for a title loan is a violation of Chapter 604A. Respondent therefore admits and acknowledges that "the loan is void, and [Respondent] is not entitled to collect, receive or retain any principal, interest or other charges or fees with respect to the loan," pursuant to NRS 604A.900. Accordingly, Respondent admits and acknowledges that the loan to customer S.F. is null and void. Respondent therefore admits and acknowledges that:

- a. Respondent shall not accept or attempt to collect the principal, interest, fees, or charges for the loan issued to customer S.F. on or about October 6, 2015, and that any payments of principal, interest, fees, or charges for the loan shall be void and returned to the appropriate representative for customer S.F., with proof thereof submitted to the Division; and,
- b. Respondent's lien on the Certificate of Title for the Trailer issued November 5, 2015, is null and void, and therefore should be released; and,
- c. Nevada Boat Number Assignment issued on November 9, 2015, listing Respondent as the legal owner of the 2002 Eliminator Boat is null and void, and therefore Respondent should be removed as the legal owner, and customer S.F. should be restored as the legal owner; and,
- d. The Certificate of Ownership for the Boat issued on December 7, 2015, listing Respondent as the legal owner is null and void, and therefore Respondent should be removed as the legal owner, and customer S.F. should be restored as the legal owner.

1 21. Respondent further agrees to release both the Boat and Trailer and to
2 submit proof to the Division of such release within ten (10) days of the effective date of
3 the ALJ's Order Approving Stipulation.

4 22. Respondent further agrees to pay to the Division \$10,000.00 as an
5 administrative fine, \$7,500.00 of which shall remain in abeyance for (12) months provided
6 that Respondent is and remains compliant with NRS 604A.125 and NRS 604A.435(1)(a).
7 Respondent shall pay the portion of the fine not held in abeyance within (30) days of the
8 effective date of the ALJ's Order Approving Stipulation. In the event Respondent violates
9 NRS 604A.125 and/or NRS 604A.435(1)(a) in the future, the remaining \$7,500.00 shall
10 be immediately due to the Division.

11 23. In the event that Respondent fails to pay the \$2,500.00 fine currently due
12 within (30) days of the effective date of the ALJ's Order Approving Stipulation,
13 Respondent agrees that its license shall be immediately suspended until the amount is
14 paid in full. Debt collection actions for unpaid monetary assessments in this case may be
15 instituted by the Division.

16 24. Respondent agrees that if the administrative fine is not paid within the time
17 period set forth hereinabove, the Division may, at its option, rescind this Stipulation and
18 proceed with prosecuting the Complaint.

19 25. The Division agrees not to pursue any other or greater remedies or fines in
20 connection with Respondent's alleged conduct referenced herein. However, Respondent
21 acknowledges, agrees to, and understands, that any future violation(s) of NRS 604A.125
22 or NRS 604A.435(1)(a) such as described herein may be deemed willful violation(s) of
23 the Statute pursuant to NRS 604A.900 and shall subject Respondent to additional
24 administrative fines and costs.

25 26. Respondent and the Division agree that by entering into this Stipulation, the
26 Division does not concede any defense or mitigation Respondent may assert and that
27 once this Stipulation is approved and fully performed, the Division will close its file in this
28

1 matter.

2 27. Respondent agrees and understands that by entering into this Stipulation,
3 Respondent is waiving its right to a hearing at which Respondent may present evidence
4 in its defense, its right to a written decision on the merits of the complaint, its rights to
5 reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which
6 may be accorded by the Nevada Administrative Procedure Act, the Nevada Deferred
7 Deposit Loans, High-Interest Loans, Title Loans And Check-Cashing Services statutes
8 and accompanying regulations, and the federal and state constitutions. Respondent
9 understands that this Stipulation and other documentation may be subject to public
10 records laws. The assigned Administrative Law Judge ("ALJ") who reviews this matter
11 for approval of this Stipulation may be the same ALJ who ultimately hears, considers and
12 decides the Complaint if this Stipulation is either not approved by the Division, or is not
13 timely performed by Respondent. Respondent fully understands that it has the right to
14 be represented by legal counsel in this matter at its own expense.

15 28. Each party shall bear its own attorney's fees and costs.

16 29. Neither this Stipulation nor any statements made concerning this Stipulation
17 may be discussed or introduced into evidence at any hearing on the Complaint, if the
18 Division must ultimately present its case based on the Complaint filed in this matter.

19 30. Once executed, this Stipulation will be filed with the ALJ assigned to this
20 matter. Respondent agrees and understands that the ALJ may approve, reject, or suggest
21 amendments to this Stipulation that must be accepted or rejected by Respondent before
22 any amendment is effective.

23 31. If the ALJ rejects this Stipulation or suggests amendments unacceptable to
24 Respondent, Respondent may withdraw from this Stipulation, and the Division may
25 pursue its Complaint at a final hearing before the assigned ALJ.

26 32. If the ALJ rejects this Stipulation or suggests amendments unacceptable to
27 the Division, the Division may withdraw from this Stipulation, and the Division may pursue
28

1 its Complaint at a final hearing before the assigned ALJ. In the event that this Stipulation
2 is not approved in whole by the Division, the Stipulation shall be deemed withdrawn
3 without prejudice to any claims, positions, or contentions which may have been made by
4 either party, and no part of this Stipulation shall be admissible in evidence or in any way
5 described or discussed in any proceeding hereafter. The Division's approval of this
6 Stipulation shall not constitute approval of, or a precedent regarding, any principle or
7 issue for any other purpose or for any other party except those involved herein.

8 33. In consideration of execution of this Stipulation, the Respondent and Sorriello
9 in his personal capacity, their successors, heirs, and assigns, and the like, hereby
10 releases, remises, and forever discharges the State of Nevada, the Department of
11 Business and Industry, and the Division, and each of their respective members, agents,
12 employees and counsel in their individual and representative capacities, from any and all
13 manner of actions, causes of action, suits, debts, judgments, executions, claims, and
14 demands whatsoever, known and unknown, in law or equity, that the Respondent ever
15 had, now has, may have, or claim to have, against any or all of the persons or entities
16 named in this section, arising out of or by reason of the Division's investigation, this
17 disciplinary action, and all other matters relating thereto.

18 34. Respondent and Sorriello hereby indemnifies and holds harmless the State
19 of Nevada, the Department of Business and Industry, the Division, and each of their
20 respective members, agents, employees and counsel in their individual and
21 representative capacities against any and all claims, suits, and actions brought against
22 said persons and/or entities by reason of the Division's investigation, this disciplinary
23 action and all other matters relating thereto, and against any and all expenses, damages,
24 and costs, including court costs and attorney fees, which may be sustained by the persons
25 and/or entities named in this section as a result of said claims, suits, and actions.

26 35. Respondent has signed and dated this Stipulation only after reading and
27 understanding all terms herein.
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: 9-8-16

ON CALL CASH

By: 
Michael Sorrillo, Managing Member

Dated: 9/8/16

State of Nevada
Department of Business and Industry
Financial Institutions Division

By: 
George E. Burns, Commissioner

Approved as to form

Approved as to form:

Dated: 9/8/16

Dated: 9-8-16

ADAM PAUL LAXALT
Attorney General

ON CALL CASH

By: 
Rickisha Hightower-Singietary
Deputy Attorney General
Attorney for the Division

By: 
Michael Sorrillo, Managing Member
Pro Se