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

TO: NABEEL SLAIEH
TC REBATE SERVICES, INC.
E-Z CASH ADVANCE
16738 Lakeshore Drive, Suite E
Lake Elsinore, California 92530

DESIST AND REFRAIN ORDER
(For violations of California Financial Code section 22100)

The California Corporations Commissioner finds that:

1. TC Rebate Services, Inc. is, and was at all relevant times herein, a California corporation and conducts business at 16738 Lakeshore Drive, Suite E, Lake Elsinore, California 92530.
2. The California Corporations Commissioner (“Commissioner”) is informed and believes, and based upon such information and belief, alleges that Nabeel Slaieh (“Slaieh”) is the owner of TC Rebate Services, Inc.
3. TC Rebate Services, Inc. doing business as TC Rebate Services, Inc. and E-Z Cash Advance (“TC Rebate”) has engaged in the business of a finance lender from in or about May 2005 through to the present as described below.
4. An examination of TC Rebate by the Commissioner in May 2005 to investigate possible unlicensed deferred deposit transaction activity (payday loans) disclosed that TC Rebate, in addition to engaging in unlicensed deferred deposit activity, was offering a “cash rebate program”. A sign on the front of the store stated “EZ Cash Advance - \$100-\$1,000 - Get Cash Rebate in Minutes - Don’t Pay it Back . . .” TC Rebate commenced the “cash rebate program” in or about May 2005 and continues doing so through to the present. The Commissioner is unaware of the number of cash rebate agreements TC Rebate has entered into with customers in California as TC Rebate refuses to comply with the Commissioner’s demand for information and records in violation

1 of California Financial Code section 22701. Pursuant to California Financial Code section 22701,
2 the Commissioner has free access to the books and records of persons engaging or alleged to be
3 engaging in the business of a finance lender. A further attempt on or about January 9, 2006 to
4 conduct an examination of TC Rebate disclosed that TC Rebate was continuing to offer loans under
5 the guise of a cash rebate program.

6 5. The “cash rebates” made by TC Rebate require the customer to enter into a written
7 agreement with TC Rebate whereby the customer agrees to purchase pre-paid long distance
8 telephone cards. Upon entering into the agreement, the customer is given an instant cash rebate
9 ranging from \$100.00 to \$500.00 and is required to purchase a long distance telephone card every
10 two weeks for a set fee, i.e., \$29.00 every two weeks for 52 weeks for a \$100.00 rebate. The number
11 of pre-paid long distance minutes given every two weeks equaled one-half the amount of the cash
12 rebate; i.e., 50 minutes per \$100.00 cash rebate agreement. Under the \$100.00 cash rebate
13 agreement, a customer would be paying \$.58 for each pre-paid long distance minute; an exorbitant
14 price given the competitive market of pre-paid phone cards. The cash rebate agreement also
15 provided for a termination fee in the amount of the cash rebate if the customer terminated the
16 agreement prior to the end of the agreement term. Under the terms of the cash rebate agreement, the
17 entire unpaid balance became due and payable if the customer otherwise failed to make its bi-weekly
18 payments. The agreement further required customers to pay a returned check fee of \$25.00 and to
19 agree to allow TC Rebate to automatically debit their bank account if timely payments were not
20 made.

21 6. As of November 21, 2006, TC Rebate continues to offer loans under the guise of a
22 cash rebate program as previously described in paragraph 5 above. The outside of the store
23 continued to identify the business as “E-Z Cash Service” and the windows contained advertisements
24 stating “\$100 - \$1,000 CASH - REBATE IN MINUTES - GET CASH REBATE - DON’T PAY IT
25 BACK - AS EASY AS THAT”. Moreover, a request to purchase just a phone card was met with a
26 response that a phone card cannot be purchased alone; the phone card comes with a “loan”.

27 7. The cash rebates made by TC Rebate were loans subject to the requirements of the
28 California Finance Lenders Law (California Financial Code §§ 22000 et. seq.) (“CFL”) because the

1 purpose of the transaction was the extension of credit to the customer.

2 8. Neither TC Rebate nor Slaieh have been issued a license by the Commissioner
3 authorizing them to engage in the business of a finance lender under the CFLL.

4 9. Neither TC Rebate nor Slaieh are exempt from the licensing requirements of
5 California Financial Code section 22100.

6 By reason of the foregoing, TC Rebate and Slaieh have engaged in business as a finance
7 lender without having first obtained a license from the Commissioner in violation of California
8 Financial Code section 22100. Pursuant to California Financial Code section 22712, TC Rebate
9 and Slaieh are hereby ordered to desist and refrain from engaging in the business of a finance
10 lender in the State of California without first obtaining a license from the Commissioner, or
11 otherwise being exempt. This Order is necessary, in the public interest, for the protection of
12 consumers and is consistent with the purposes, policies and provisions of the California Finance
13 Lenders Law. This order shall remain in full force and effect until further order of the California
14 Corporations Commissioner.

15 California Financial Code section 22712 provides in pertinent part:

16 Whenever, in the opinion of the commissioner, any person is engaged in
17 business as a broker or finance lender, as defined in this division, without
18 a license from the commissioner . . . the commissioner may order that person
19 . . . to desist and to refrain from engaging in the business . . . If, within 30 days
after the order is served, a written request for a hearing is filed and no hearing
is held within 30 days thereafter, the order is rescinded.

20 Dated: January 3, 2007
21 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

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23 By _____
24 Patricia R. Speight
25 Special Administrator
26 California Finance Lenders Law
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