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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

In the Matter of: )  
)  
THE COMMISSIONER OF BUSINESS )  
OVERSIGHT, )  
)  
Complainant, ) ACCUSATION  
)  
v. )  
)  
QUINTON BERRY, )  
)  
Respondent. )

The Commissioner of Business Oversight (Commissioner) finds that:

1. At all relevant times herein, Financial Services Enterprises, doing business as Pioneer Capital (Pioneer) is, and was a California corporation with its last known address at 7545 Irvine Center Drive, Suite 200, Irvine, California 92618.
2. At all relevant times herein, Quinton Berry served as Pioneer’s Chief Executive Officer in full control of Pioneer.
3. Quinton Berry is also a 100 percent shareholder of Pioneer, Pioneer’s Chief Financial Officer and Secretary, and the day-to-day manager of Pioneer’s business.
4. On or about March 10, 2016, the Commissioner issued a Desist and Refrain Order against Pioneer.

1 5. After a hearing, the Commissioner issued a final decision against Pioneer, finding that  
2 Pioneer had engaged in the business of a finance lender under the California Finance Lenders  
3 Law (CFLL) (Fin. Code, § 22000) without first obtaining a license from the Commissioner, in  
4 violation of Financial Code, section 22100, subdivision (a).

5 6. During the time when Pioneer engaged in the business of a finance lender without a  
6 license, Pioneer issued term sheets to borrowers that described loan terms.

7 7. The term sheets described Pioneer as a “lender,” but failed to disclose that Pioneer  
8 Capital did not have the capacity or intention to fund each loan with its own funds.

9 8. The term sheets also failed to disclose that Pioneer had not yet obtained the approval  
10 from a third-party funder to fund each loan.

11 9. Numerous borrowers paid Pioneer up-front fees based upon the representations and  
12 omissions in Pioneer’s term sheets.

13 10. The term sheets also described how Pioneer had a “credit committee” that would review  
14 and approve transactions.

15 11. Pioneer had no such “credit committee.”

16 12. Pioneer failed to secure funding for all or nearly all of the borrowers who paid up front  
17 fees, and failed to refund fees to customers.

18 13. Financial Code, section 22161, subdivisions (a) and (b), provide that no person shall:

19 (a) Make a materially false or misleading statement or representation to a  
20 borrower about the terms or conditions of that borrower's loan, when  
21 making or brokering the loan.

22 (b) Advertise, print, display, publish, distribute, or broadcast, or cause or  
23 permit to be advertised, printed, displayed, published, distributed, or  
24 broadcast in any manner, any statement or representation with regard to  
25 the business subject to the provisions of this division, including the rates,  
26 terms, or conditions for making or negotiating loans, that is false,  
27 misleading, or deceptive, or that omits material information that is  
28 necessary to make the statements not false, misleading, or deceptive, or in  
29 the case of a licensee, that refers to the supervision of the business by the  
state or any department or official of the state.

14. Financial Code section 22169, subdivision (a), provides that, in pertinent part:

The commissioner may, after appropriate notice and opportunity for  
hearing, by order, censure or suspend for a period not exceeding 12  
months, or bar from any position of employment, management, or control

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any finance lender, broker, mortgage loan originator, or any other person, if the commissioner finds either of the following:

(1) That the censure, suspension, or bar is in the public interest and that the person has committed or caused a violation of this division or rule or order of the commissioner, which violation was either known or should have been known by the person committing or causing it or has caused material damage to the finance lender, broker, or mortgage loan originator, or to the public.

The Commissioner finds that, by reason of the foregoing, Quinton Berry has violated Financial Code section 22161, subdivisions (a) and (b), by making false, misleading or deceptive statements or representations, or by omitting material information from statements or representations that was necessary to make the statements or representations not false, misleading, or deceptive. Quinton Berry knew or should have known that he was violating Financial Code section 22161, subdivision (b), and Quinton Berry’s actions caused material damage to the public. Therefore, the Commissioner finds that it is in the public interest to bar Quinton Berry from any position of employment, management, or control of any finance lender, broker, or mortgage loan originator.

WHEREFORE, IT IS PRAYED that Quinton Berry be barred from any position of employment, management, or control of any finance lender, broker, or mortgage loan originator.

Dated: May 30, 2017  
San Francisco, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
CHARLES CARRIERE  
Counsel