TO: Quinton Berry, Chief Executive Officer
Financial Services Enterprises, doing business as Pioneer Capital
7545 Irvine Center Dr., Suite 200, Irvine, CA 92618

DESIST AND REFRAIN ORDER
(For violations of California Financial Code sections 22100 and 22161)

The California Commissioner of Business Oversight ("Commissioner") finds that:

1. At all relevant times herein, Financial Services Enterprises, doing business as Pioneer Capital (hereinafter “Pioneer”) is, and was a California Corporation with its last known address at 7545 Irvine Center Dr. Suite 200, Irvine, CA 92618.
2. At all relevant times herein, Quinton Berry served as Pioneer’s Chief Executive Officer.
3. Quinton Berry is also a 100% shareholder of Pioneer, Pioneer’s CFO and Secretary, and the day-to-day manager of Pioneer’s business.
4. On or about January 2014 and continuing to the present, Pioneer offered commercial loans to businesses.
5. Throughout its interactions with no fewer than 15 companies starting in January 2014, Pioneer engaged in the business of making commercial loans as follows:
   a. First, Pioneer accepts financial documentation from the company seeking a loan.
   b. Second, Pioneer issues a “term sheet” to the company, outlining the terms of a proposed loan that Pioneer represents it will fund after completing “due diligence” and approval by Pioneer’s “credit committee.”
   c. Third, Pioneer represents that to finalize the transactions, the companies must submit deposits ranging from $2,500 to $50,000.
   d. Pioneer represents that this deposit is refundable, less Pioneer’s due diligence costs, if it fails to finalize the loan described in the “term sheet.”
6. In all but one of the transactions described in the above paragraph, Pioneer failed to finalize loan agreements with the companies.

7. In many cases where Pioneer failed to finalize loan agreements with companies, Pioneer failed to refund any portion of the company’s deposit or provide any accounting of Pioneer’s due diligence costs.

8. Pioneer has not been issued a license by the Commissioner authorizing it to engage in the business of a finance lender and/or broker under the California Finance Lenders Law. Pioneer is not exempt from the licensing requirements of California Financial Code section 22100.

9. Furthermore, Pioneer’s statements with respect to the terms and conditions of borrowers’ loans were false, misleading, or deceptive, and omitted material information necessary to make the statements not false, misleading, or deceptive. Pioneer’s false, misleading, or deceptive statements included, but are not limited to, falsely representing that Pioneer had a credit committee that could review and approve the transaction.

10. Pioneer’s omissions included, but are not limited to, failing to disclose that Pioneer did not have the ability to fund the transactions without securing the approval of third parties other than Pioneer.

By reason of the foregoing, Financial Services Enterprises, doing business as Pioneer Capital, has engaged in the business of a finance lender and/or broker without having first obtained a license from the Commissioner in violation of California Financial Code section 22100.

Further, Financial Services Enterprises, doing business as Pioneer Capital, made statements that were otherwise false, misleading, or deceptive, or omitted material information necessary to make the statements not false, misleading, or deceptive, in violation of California Financial Code sections 22161(a-b).

Pursuant to California Financial Code section 22712, Financial Services Enterprises, doing business as Pioneer Capital, is ordered to desist and refrain from engaging in the business of a finance lender and/or broker in the State of California without first obtaining a license from the Commissioner, or otherwise being exempt.
Further, pursuant to California Financial Code section 22712, Financial Services Enterprises, doing business as Pioneer Capital, is ordered to desist and refrain from making materially false or misleading statements or representations to borrowers about the terms and conditions of borrowers’ loans, and from advertising, printing, displaying, publishing, distributing, or broadcasting any statement or representation that is false, misleading, or deceptive, or that omits material information necessary to make the statements not false, misleading, or deceptive when making loans.

This order is necessary, in the public interest, for the protection of California businesses, and is consistent with the purposes, policies, and provisions of the California Finance Lenders Law. This order shall remain in full force and effect until further order of the Commissioner.

Dated: March 10, 2016

San Francisco, California

JAN LYNN OWEN
Commissioner of Business Oversight

By:

MARY ANN SMITH
Deputy Commissioner
Enforcement Division