



LOS ANGELES COUNTY

CONSUMER & BUSINESS AFFAIRS

For Immediate Release

June 10, 2021

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Contact: Jethro Rothe-Kushel, Director of Communications
(213) 247-0482, jrothe-kushel@dcba.lacounty.gov

Keven Chavez, Public Information Officer
(213) 974-9699, kchavez@dcba.lacounty.gov

Shortchanged Small Claims Court Litigants to Receive Restitution Following LA County Investigation, Settlement

Comprehensive investigative work by the Los Angeles County Department of Consumer and Business Affairs (DCBA), assisting the Office of the Los Angeles County Counsel Affirmative Litigation & Consumer Protection Division (LACC) has resulted in a \$60,000 settlement against a Los Angeles-based collection company for court judgments.

The civil complaint named **Van Nuys Financial**, which also operates under the alias business names Master Financial of California, Inc., Master Financial 2000, and Fleetwood Financial, as well as its owner-operators, John Ezra Sutton, Mark Zohar Sutton aka Zohar Sutton, and Rachel Sutton, collectively referred to as Van Nuys Financial (VNF).

The settlement resolves claims in a 2019 lawsuit filed by LACC against VNF. The lawsuit alleged VNF took advantage of consumers who had won money judgments in small claims court but who had not been able to collect those judgments. Contacting them through unsolicited telephone calls, and direct mail, VNF would encourage consumers who had prevailed in small claims court to assign their unsatisfied monetary judgments to VNF. After realizing the difficulty of collecting their judgments, consumers entered into written contracts with VNF and assigned their judgments to them. In exchange for the assignment, VNF would keep an agreed-upon percentage of the money collected, usually 30 to 40%, and would promise to remit the rest to the consumers.

The lawsuit alleged false advertising and misrepresentation because of VNF's pattern and practice of collecting on an assigned judgment but failing to notify consumers that they had done so. Additionally, on these occasions, VNF either did not provide the original judgment creditors any payment of the collected funds or they provided them some lesser amount.

"The Small Claims court allows all people in Los Angeles County to seek justice on equal footing. That spirit of fairness and equity must also allow for people to receive the judgments they earned in full," said DCBA Director Rafael Carbajal. "These days, every dollar makes a difference for the consumers we serve. We congratulate our department's investigations team and County



dcba.lacounty.gov
info@dcba.lacounty.gov

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137

Counsel on securing this settlement and helping to put money back into the hands of people who deserve it.”

DCBA investigators interviewed dozens of victims who had similar experiences after assigning their judgments to VNF. DCBA’s investigation further revealed that many of VNF’s victims were unaware that VNF had ever collected on their assigned judgment.

VNF has agreed to pay restitution of \$60,000 via monthly payments over a period of ten (10) years, with the first payment due February 1, 2022. Consumers may be entitled to restitution if they assigned their small claims court judgment to VNF and VNF collected the assigned judgment yet failed to pay the agreed-upon portion to the Consumer. Consumers who assigned their judgments to VNF and are uncertain if VNF ever collected any money on the judgment may contact the Superior Court with their case number to obtain information on the assigned judgment.

If you are a small claims court litigant who believes you should receive monetary restitution from this settlement with Van Nuys Financial, please visit dcba.lacounty.gov/VNFSettlement to review and complete a Notice of Restitution & Settlement Claim Form. (See **Completing a Claim Form** below.)

Completing a claim form

Any consumer willing to agree to the restitution terms listed in the Notice of Restitution must submit to DCBA a completed and signed Claim Form, a copy of the Acknowledgment of Assignment of Judgment to VNF that was filed with the court and date-stamped by the court, and a copy of their government-issued photo ID. The Claim Form must be submitted to DCBA on or before **August 12, 2021**.

Claim forms may be sent via US Mail, postmarked on or before August 12, 2021, or email, on or before the same date:

Mailing Address:

Rose Basmadzhyan, Chief
Los Angeles County Department of Consumer and Business Affairs
320 West Temple Street- Room G-10
Los Angeles, CA 90012

Email Address:

investigations@dcba.lacounty.gov

A copy of the Final Judgment may be found at dcba.lacounty.gov/VNFSettlement.

The claims settled by this agreement are allegations only; there has been no determination of liability.

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