

DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES  
FINANCE SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
STATE OF OREGON

1  
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3  
4 In the Matter of: ) 0-94-0020  
5 CROSBY AND LAU FINANCIAL, INC. ) ORDER ASSESSING CIVIL PENALTIES  
6 Respondent. ) AND  
7 ) CONSENT OF  
CROSBY AND LAU FINANCIAL  
TO ENTRY OF ORDER

8 WHEREAS the Director of the Department of Consumer and Business Services  
9 for the State of Oregon (hereinafter DIRECTOR) has reviewed certain mortgage  
10 brokerage transactions effected by CROSBY AND LAU FINANCIAL, INC. and has  
11 determined that CROSBY AND LAU FINANCIAL, INC. conducted unlicensed transactions  
12 in the state of Oregon in violation of ORS 59.840 through 59.960 (herein after  
13 The Mortgage Lender Law); and

14 WHEREAS CROSBY AND LAU FINANCIAL, INC. wishes to resolve and settle this  
15 matter and agrees to conduct all future business in compliance with the Mortgage  
16 Lender Law;

17 NOW THEREFORE, as evidenced by the authorized signature subscribed on this  
18 Order, CROSBY AND LAU FINANCIAL, INC. hereby CONSENTS to entry of this Order to  
19 Assess Civil Penalties upon the Director's Findings of Fact and Conclusions of  
20 Law as stated hereinafter:

21 FINDINGS OF FACT

22 The Director FINDS that:

23 1. CROSBY AND LAU FINANCIAL, INC., (hereinafter RESPONDENT), a California  
24 Corporation in the business as a Mortgage Banker and Mortgage Broker may be  
25 served process at 601 S. Glenoaks Boulevard, Suite 102, Burbank, California;

26 2. On or about October 1, 1993, RESPONDENT opened a branch office located

1 at 9122 Portland, Road NE, Brooks, Oregon 97305 and conducted business as a  
2 Mortgage Banker and Mortgage Broker until approximately May 1, 1994;

3 3. **RESPONDENT** is not now licensed, nor has ever been licensed as a  
4 Mortgage Banker or Mortgage Broker in the state of Oregon;

5 4. During the period from January 1, 1994 through May 1, 1994 **RESPONDENT**  
6 transacted business in the state of Oregon as a Mortgage Banker and Mortgage  
7 Broker by negotiating and closing loans secured by Oregon real estate for three  
8 Oregon residents prior to being licensed.

9 5. **RESPONDENT** presently is processing an additional 19 loan applications  
10 submitted by Oregon residents.

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#### CONCLUSIONS OF LAW

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**The Director CONCLUDES that:**

14

1. **RESPONDENT** transacted business in this state as a Mortgage Banker and  
15 Broker between January 1, 1994 and May 1, 1994 in violation of ORS 59.845.

16

#### ORDER

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The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that **RESPONDENT** shall  
18 **CEASE AND DESIST** from:

19

1. Transacting business in the State of Oregon in violation of ORS 59.845

20

2. Violating any provisions of ORS 59.840 through 59.960.

21

The Director, pursuant to the authority of ORS 59.996, **ORDERS** **RESPONDENT** to pay  
22 to the state of Oregon a civil penalty of \$750.00 consisting of \$250.00 for each  
23 of the three completed transactions and a penalty of \$950.00 consisting of  
24 \$50.00 for each of the 19 pending transaction.

25

The Director further **SUSPENDS PAYMENT** OF \$950.00 on the condition that:

26

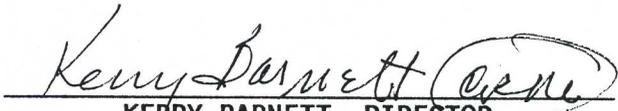
a. **RESPONDENT** submit a completed application for licensing under The

**ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER**

**PAGE 2**

- 1 Mortgage Lender Law;
- 2 b. RESPONDENT pay the civil penalty of \$750.00; and
- 3 c. RESPONDENT not violate any provisions of the Mortgage Lenders Law, ORS
- 4 59.840 through 59.960.

5  
6 Dated this 29<sup>th</sup> day of June, 1994 at Salem, Oregon.

7  
8  
9  
10   
11 **KERRY BARNETT, DIRECTOR**  
12 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

13 **CONSENT TO ENTRY OF ORDER**

14 I, Herald H. Lau, state that I am an officer of  
15 CROSBY AND LAU FINANCIAL, INC. and I am authorized to act on its behalf; that I  
16 have read the foregoing Order and that I know and fully understand the contents  
17 hereof; that the factual allegations stated herein are true and correct; that  
18 CROSBY AND LAU FINANCIAL, INC. has been advised of its right to a hearing and of  
19 its right to be represented by counsel in this matter; that CROSBY AND LAU  
20 FINANCIAL, INC. voluntarily consents to the entry of this Order without further  
21 hearing and without any force or duress, expressly waiving any right to a  
22 hearing in this matter; that CROSBY AND LAU FINANCIAL, INC. understands that the  
23 Director reserves the right to take further actions to enforce this Order or to  
24 take appropriate action upon discovery of other violations of the Oregon  
25 Securities; Mortgage Bankers and Brokers Law; and that CROSBY AND LAU FINANCIAL,

OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
Corporate Securities Section  
21 Labor and Industries Building  
Salem, OR 97310  
(503) 378-4387

1 INC. will fully comply with the terms and conditions stated herein.

2 CROSBY AND LAU FINANCIAL, INC. further assures the Director that CROSBY  
3 AND LAU FINANCIAL, INC. will not effect Mortgage Banker and Mortgage Broker  
4 transactions in Oregon unless such time as they are licensed as required under  
5 ORS Chapter 59 of Oregon Securities; Mortgage Bankers and Brokers Law.

6 I understand that this Consent Order is a public document.

7 Dated this 27 day of May 1994.

8 By *Herald H. Lau*  
9 Herald H. Lau

10 Printed name of officer signing  
11 Chief Financial Officer  
12 (Office Held)

13 CORPORATE ACKNOWLEDGMENT

14 There appeared before me this 27 day of May, 1994,  
15 Herald H. Lau, who was first duly sworn on oath, and stated  
16 (name of affiant) that he/she was and is the CFO of CROSBY AND LAU FINANCIAL, INC.  
17 (title) that he/she is authorized and empowered to sign this Consent to Entry of Order  
18 on behalf of CROSBY AND LAU FINANCIAL, INC., and to bind CROSBY AND LAU  
19 FINANCIAL, INC. to the terms hereof.



20 *Nancy V. Currie*  
21 Notary Public for Los Angeles  
22 *Nancy V. Currie*  
23 Printed Name of Notary Public

24 My commission expires: 6-19-95