

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
2 DIVISION OF FINANCE AND CORPORATE SECURITIES  
3 FINANCE SECTION  
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

5 In the Matter of:

M-04-0010

6 Cramer Financial Services Inc. dba  
7 Cramer's Mortgage Services,

ORDER TO CEASE AND DESIST  
ORDER ASSESSING CIVIL PENALTIES

8 Respondent.

And  
9 CONSENT TO ENTRY OF ORDER

10 WHEREAS the Director of the Department of Consumer and Business Services  
11 for the State of Oregon (hereinafter "the Director") conducted an investigation of Cramer  
12 Financial Services Inc. dba Cramer's Mortgage Services and determined that Cramer  
13 Financial Services, Inc. dba Cramer's Mortgage Services engaged in activities  
14 constituting violations of ORS 59.840 through 59.965 (hereinafter cited as the Oregon  
15 Mortgage Lender Law); and

16 WHEREAS Cramer Financial Services, Inc. dba Cramer's Mortgage Services,  
17 wishes to resolve and settle this matter with the Director,

18 NOW THEREFORE, as evidenced by the authorized signature subscribed on  
19 this order, Cramer Financial Services, Inc. dba Cramer's Mortgage Services hereby  
20 CONSENTS to entry of this order upon the Director's Findings of Fact and Conclusions  
21 of Law as stated hereinafter:

22 FINDINGS OF FACT

23 The Director FINDS that:

24 1. Cramer Financial Services, Inc. dba Cramer's Mortgage Services  
25 (hereinafter, "Respondent" or "Cramer"), an Oregon corporation, engages in residential  
26 mortgage transactions in Oregon or on Oregon real property in expectation of

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97101-3881  
Telephone: (503) 378-4387





1 compensation. Cramer's principal place of business is 7832 SW Capitol Highway, Suite  
2 B, Portland, Oregon 97219. At all times hereto, Cramer was licensed as residential  
3 mortgage lender in the State of Oregon. The Oregon mortgage lender license number  
4 for Cramer is ML-1902.

5 2. Kent Cramer is the president and sole owner of Cramer.

6 3. At all times material herein, Cramer did not have a licensed branch office  
7 at 377 SW Century Drive Suite D-3, Bend Oregon 97702 (hereinafter "Bend location").

8 4. On or about January 2, 2004, Cramer began originating Oregon  
9 residential mortgage loans at the Bend location.

10 5. On or about January 26, 2004, Cramer completed an application to  
11 license the Bend location that contained the address of the location, the phone number  
12 of the location, the name of the person supervising the Bend location, the requisite  
13 information about the person that would be supervising the Bend location.

14 6. On January 29, 2004, the Director received a surety bond change rider  
15 increasing Cramer's bond by \$5,000 to \$30,000. The effective date of the change was  
16 January 27, 2004.

17 7. On February 6, 2004, the Director received from Cramer the application  
18 dated January 26, 2004 to license the Bend location.

19 8. As of January 1, 2004, Cramer had only reported Kent Cramer, John  
20 Bates and Paul Stember as loan originators for the company.

21 9. On or about November 1, 2003, Cramer authorized employee Todd Falk  
22 to originate loans.

23 10. On or about April 15, 2004, Cramer provided notification to the Director  
24 that Todd Falk was hired to originate loans for Cramer.

25 11. At all times material herein, Kent Cramer, John Bates and Paul Stember  
26 were listed as loan originators for Cramer. Each originator was required to complete 20

1 hours of continuing education by January 31, 2004.

2 12. According to the certificate from the education provider, Kent Cramer  
3 completed 20 hours of continuing education on February 29, 2004.

4 13. Cramer continued to employ Kent Cramer between January 31, 2004 and  
5 February 29, 2004 despite the fact that Kent Cramer did not meet the continuing  
6 education requirement for loan originators.

7 14. According to the certificate from the education provider, John Bates  
8 completed 20 hours of continuing education on February 9, 2004.

9 15. Cramer continued to employ John Bates between January 31, 2004 and  
10 February 9, 2004 despite the fact that John Bates did not meet the continuing education  
11 requirement for loan originators.

12 16. According to the certificate from the education provider, Paul Stember  
13 completed 20 hours of continuing education on February 28, 2004.

14 17. Cramer continued to employ Paul Stember between January 31, 2004 and  
15 February 28, 2004 despite the fact that Paul Stember did not meet the continuing  
16 education requirement for loan originators.

17 **CONCLUSIONS OF LAW**

18 The Director **CONCLUDES** that:

19 1. Cramer, by failing to provide notification of its intent to operate a branch office  
20 at least 30 days prior to commencing branch operations, violated ORS 59.950(2).

21 2. Cramer, by failing to provide notification of the hire of a loan originator within  
22 30 days following the date of hire, violated ORS 59.969(1).

23 3. Cramer, by repeatedly employing persons who did not meet the continuing  
24 education requirement for loan originators, violated ORS 59.865(17).

25 III

26 III

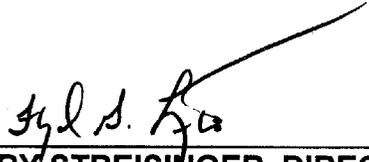
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350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 The entry of this Order in no way limits further remedies which may be available  
2 under Oregon Law. The date of this order is the day the Director signs the order.

3 Dated this 30th day of SEPTEMBER, 2004, at Salem, Oregon.

4  
5  
6   
7 **CORY STREISINGER, DIRECTOR**  
8 **DEPARTMENT OF CONSUMER & BUSINESS SERVICES**

9  
10 **CORPORATE CONSENT TO ENTRY OF ORDER**

11 I, Kent Cramer, state that I am an officer of Cramer Financial Services, Inc. dba  
12 Cramer's Mortgage Services, and I am authorized to act on its behalf; that I have read  
13 the foregoing Order and that I know and fully understand the contents hereof; that I and  
14 this entity have been advised of the right to a hearing and of the right to be represented  
15 by counsel in this matter; that Cramer Financial Services, Inc. dba Cramer's Mortgage  
16 Services voluntarily and without any force or duress, consents to the entry of this Order,  
17 expressly waiving any right to a hearing in this matter; that Cramer Financial Services,  
18 Inc. dba Cramer's Mortgage Services understands that the Director reserves the right to  
19 take further actions to enforce this Order or to take appropriate action upon discovery of  
20 other violations of the Oregon Securities Law; and that Cramer Financial Services, Inc.  
21 dba Cramer's Mortgage Services will fully comply with the terms and conditions stated  
22 herein.

23 Cramer Financial Services, Inc. dba Cramer's Mortgage Services further assures  
24 the Director that neither Cramer Financial Services, Inc. dba Cramer's Mortgage  
25 Services nor its officers, directors, employees or agents will effect securities  
26

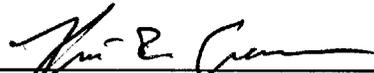
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1 transactions in Oregon unless such activities are in full compliance with Chapter 59 of  
2 the Oregon Securities Revised Statutes.

3 Cramer Financial Services, Inc. dba Cramer's Mortgage Services understands  
4 that this Consent Order is a public document.

5 Dated this 16<sup>th</sup> day of Aug, 2004.

6  
7 By   
(Signature of officer)

8 President  
9 (Office Held)

10  
11 **CORPORATE ACKNOWLEDGMENT**

12 There appeared before me this 16 day of August, 2004, Kent Cramer, who was  
13 first duly sworn on oath, and stated that he was and is Kent Cramer of Cramer  
14 Financial Services, Inc. dba Cramer's Mortgage Services and that he is authorized and  
15 empowered to sign this Consent to Entry of Order on behalf of Cramer Financial  
16 Services, Inc. dba Cramer's Mortgage Services, and to bind Cramer Financial Services,  
17 Inc. dba Cramer's Mortgage Services to the terms hereof.

18  
19   
20 (Individual)

21 Mike Galarneau  
22 (Printed Name of Notary Public)  
23 Notary Public  
24 for the State of: OR  
25 My commission expires: 5-23-08

