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2
3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**
6 **ENFORCEMENT SECTION**

7 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
8 **OF CONSUMER AND BUSINESS SERVICES**

9 **In the Matter of**

M-06-0001

10 **SYNERGY CAPITAL MORTGAGE**
11 **CORPORATION, a California**
12 **corporation,**

ORDER TO CEASE AND DESIST,
ORDER ASSESSING CIVIL PENALTY
AND CONSENT TO ENTRY OF
ORDER

13 **Respondent.**

14 **WHEREAS** the Director of the Department of Consumer and Business Services
15 has conducted an investigation of certain business activities conducted by Synergy
16 Capital Mortgage Corporation and has determined that Synergy Capital Mortgage
17 Corporation has engaged in activities in violation of the Oregon Mortgage Lender Law,
18 Oregon Revised Statutes ("ORS") 59.840 to 59.980; and

19 **WHEREAS** Synergy Capital Mortgage Corporation wishes to resolve and settle
20 this matter with the **DIRECTOR**;

21 **NOW THEREFORE**, as evidenced by the authorized signatures subscribed on
22 this Order, Synergy Capital Mortgage Corporation hereby **CONSENTS** to entry of this
23 Order to Cease and Desist upon the Director's Findings of Fact and Conclusions of Law
24 as stated hereinafter.

25 **FINDINGS OF FACT**

26 The Director **FINDS** that:

1. Synergy Capital Mortgage Corporation (hereinafter "Synergy" or

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



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1 respondent) is a California corporation formed on January 6, 2004. The respondent's
2 principal location is registered with the Director as 27130 A Paseo Espada #1424, San
3 Juan Capistrano, California 92675. Ryan William Wilkerson is the president of Synergy
4 and William F. Brown is secretary.

5 2. On or about December 30, 2004, the Director licensed Synergy to engage
6 in Oregon residential mortgage transactions, assigning license number ML-3489 to the
7 business.

8 3. On or about December 21, 2005, Synergy mailed, or caused to be mailed,
9 an advertisement to the home address of Kenneth E. Power ("Power"), a financial
10 examiner for the Division of the Finance and Corporate Securities. The advertisement
11 contained the following reference: "Form 1081 REIR—Polk County Real Estate
12 Investment Reimbursement Notification." The advertisement also contained the
13 following provisions:

14 "In accordance with the State of Oregon, the RE investment
15 reimbursement program was recently developed to reward homeowners
16 for investing in the high appreciating properties located in the 97351-9537
17 zip codes. The RE investment reimbursement program is your chance to
18 be reimbursed for the financial investment you have made into your
19 property.

20 " * * * * *

21 "The financial institution above has been authorized by the State of
22 Oregon to provide the RE investment reimbursement program and
23 activate the above RE investment reimbursement note. * * *"

24 "It is very important that you respond to this notice immediately by calling
25 the RE investment reimbursement program department at **1-800-315-4163**
26 to activate the above cash reimbursement. * * * " (Emphasis in original.)

27 The text of the advertisement falsely appears to be offering the reader a government
28 sponsored or affiliated grant or subsidy.

29 4. The advertisement contained a check drawn on the account of "S.C.M.C.

1 Regional Distribution Center” with Synergy’s California address. The advertisement was
2 formatted to have the appearance of a government agency mailing and gives the
3 impression that Synergy’s office in San Juan Capistrano, California is a “regional”
4 governmental office. The envelope for the advertisement had the appearance of an
5 official government mailing.

6 5. The advertisement incorrectly referenced Synergy’s Oregon mortgage
7 lender license number as #510-MB-27412 when it is actually ML-3489.

8 **CONCLUSIONS OF LAW**

9 The Director **CONCLUDES** that:

10 6. Synergy violated OAR 441-870-0030(8) by mailing an advertisement that
11 was a manipulative, deceptive or fraudulent device or contrivance or the mailing of the
12 advertisement was a fraudulent, deceptive, or manipulative act or practice.

13 **ORDER**

14 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

15 7. Pursuant to the authority of ORS 59.885(4), the Director hereby **ORDERS**
16 Synergy to **CEASE AND DESIST** from violating any provision of the Oregon Mortgage
17 Lender Law, OAR 441-850-0005 through 441-885-0010, or any rule, order, or policy
18 issued by the Division.

19 8. Pursuant to the authority of ORS 59.996, the Director hereby **ASSESSSES**
20 the following **CIVIL PENALTY**:

21 a. Synergy is assessed a civil penalty in the amount of \$5,000 (five thousand
22 dollars) for violating OAR 441-870-0030(8).

23 9. The Director **SUSPENDS** \$2,500 (two thousand five hundred dollars) of
24 the assessed civil penalty against Synergy Capital Mortgage Corporation for a three-
25 year period. If, in the three-year period following the date of the Order, Synergy Capital
26 Mortgage Corporation violates any provision of the Oregon Mortgage Lender Law, OAR

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1 441-850-0005 through 441-885-0010, or any rule, order, or policy issued by the
2 Division, the suspended portion of the assessed civil penalty will become immediately
3 due and payable. If Synergy Capital Mortgage Corporation does not violate the Oregon
4 Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010, or any rule, order, or
5 policy issued by the Division in the three years from the date of the Order, the
6 suspended portion of the civil penalty is waived.

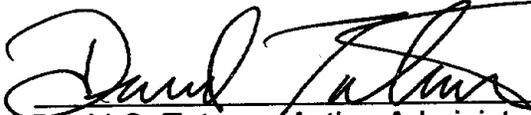
7 10. The assessed portion of the civil penalty must be received by the
8 Department of Consumer and Business Services no later than thirty days after the date
9 of this Order. Payments shall be made by check paid to the order of the Department of
10 Consumer and Business Services and mailed to Fiscal Services Section, DCBS, PO
11 Box 14610, Salem OR 97309-0445. The check must reference DFCS Case No. M-06-
12 0001.

13 11. The date of this Order is the day the Director signs the Order.

14 12. The entry of this Order in no way limits further remedies which may be
15 available to the Director under Oregon law.

16 Dated this 1st day of February, 2006 at Salem, Oregon.

17 CORY STREISINGER, Director
18 Department of Consumer and Business Services

19 
20 David C. Tatman, Acting Administrator
21 Division of Finance and Corporate Securities

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22 APPROVED AS TO FORM:

23 _____
24 Attorney for Respondent

Dated: _____

25 ////

26 ////

1 **CORPORATE CONSENT TO ENTRY OF ORDER**
2 (for Synergy Capital Mortgage Corporation)

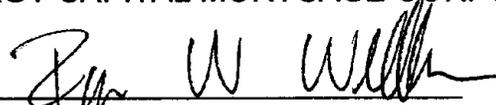
3 I, Ryan W. Wilkinson, state that I am an officer of Synergy Capital Mortgage
4 Corporation and I am authorized to act on its behalf; that I have read the foregoing
5 Order and that I know and fully understand the contents hereof; that I and this entity
6 have been advised of the right to a hearing and of the right to be represented by
7 counsel in this matter; that Synergy Capital Mortgage Corporation, voluntarily and
8 without any force or duress, consents to the entry of this Order, expressly waiving any
9 right to a hearing in this matter; that Synergy Capital Mortgage Corporation executes
10 this Consent as a settlement of the matters referred to in the foregoing Order; that
11 Synergy Capital Mortgage Corporation, understands that the Director reserves the right
12 to take further actions to enforce this Order or to take appropriate action upon discovery
13 of other violations of the Oregon Securities Law; and that Synergy Capital Mortgage
14 Corporation will fully comply with the terms and conditions stated herein.

15 Synergy Capital Mortgage Corporation further assures the Director that neither
16 Synergy Capital Mortgage Corporation, nor its officers, directors, employees or agents,
17 will effect mortgage transactions in Oregon unless such activities are in full compliance
18 with Chapter 59 of the Oregon Revised Statutes.

19 Synergy Capital Mortgage Corporation understands that this Consent Order is a
20 public document.

21 Dated this 23rd day of JANUARY, 2006.

22 SYNERGY CAPITAL MORTGAGE CORPORATION

23 By: 
24 Ryan W. Wilkinson

25 PRESIDENT
26 Office Held

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CORPORATE ACKNOWLEDGMENT

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There appeared before me this 23 day of JANUARY, 2006, Ryan W. Wilkinson, who was first duly sworn on oath, and stated that he was and is an officer of Synergy Capital Mortgage Corporation, and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Synergy Capital Mortgage Corporation, and to bind Synergy Capital Mortgage Corporation to the terms hereof.

Joanna Carhart
Signature of Notary

Notary Public for the State of: CA

My commission expires: AUG 29 2007

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