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**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
ENFORCEMENT SECTION**

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

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In the Matter of:

M-08-0008-2

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ALLEGRO FUNDING CORP

Respondent.

**ORDER OF CONDITIONAL
MORTGAGE BANKER/MORTGAGE
BROKER LICENSE AND
CONSENT TO ENTRY OF ORDER**

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WHEREAS The Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Allegro Funding Corp and determined that the public interest is served by conditioning Allegro Funding Corp's license pursuant to **ORS 59.840 et seq** (hereinafter cited as the Oregon Mortgage Lender Law).

WHEREAS Allegro Funding Corp wishes to continue its cooperation with the Director,
NOW THEREFORE the Director **GRANTS** a conditional mortgage banker/broker license to Allegro Funding Corp. Allegro Funding Corp **CONSENTS** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

FINDINGS OF FACT

The Director **FINDS** that:

1. On May 9, 2007, the Director issued a license to engage in residential mortgage transactions to LMU Financial Inc. (hereinafter "LMU"), license number ML-4531. The principal place of business of LMU was located 28202 Cabot Road Suite 435, Laguna Niguel, California, 92677.

2. On or about February 28, 2008, the Division received a request to change the name of the corporation on the license from LMU to Allegro Funding Corp (hereinafter

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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1 "Allegro" or "Respondent"). Allegro is a California corporation with principal place of business
2 located at 7700 Square Lake Boulevard, Jacksonville, Florida 32256.

3 3. The Director's records list Eric Christopherson as a 30% owner, Experienced
4 Person and Control Person of Allegro. Suzana Paduano is a 70% owner and Sandra Budlong is
5 listed as a Control Person of Allegro.

6 4. On or about March 20, 2008, Allegro submitted a mortgage broker license
7 renewal application to the Division. This license was set to expire on May 9, 2008. At the time,
8 Eric Christopherson was the subject of an open investigation and proposed administrative order.

9 5. On June 16, 2008, the Director issued a conditional license to Allegro, case M-08-
10 0008-1, effective May 9, 2008, pending the outcome of the Division's investigation and
11 proposed administrative order naming Eric Christopherson.

12 6. The Division and Eric Christopherson have reached an agreement for resolution
13 of the investigation and administrative action in case M-06-0042-3.

14 CONCLUSIONS OF LAW

15 The Director **CONCLUDES** that:

16 1. Allegro is subject to an order of the Director conditioning a license as a mortgage
17 banker or mortgage broker and an owner of Allegro is the subject of a cease and desist order
18 entered after notice and opportunity for hearing and issued by the Director within the last five
19 years which allows the Director to condition the license under ORS 59.865(8), ORS 59.865(13),
20 ORS 59.870 and ORS 59.885.

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1 **ORDER**

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

3 The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that Respondent will
4 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR
5 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the Director.

6 The Director, pursuant to ORS 59.865, 59.860, 59.880 and 59.885, hereby **ORDERS** that
7 a conditional Oregon mortgage broker license be issued to Respondent until further order of the
8 Director. The conditional license shall be subject to the following conditions such that if
9 Respondent fails to comply with the conditions, Respondent agrees that the license shall be
10 revoked immediately:

11 1. Respondent shall continuously employ a compliance supervisor acceptable to the
12 Director who will be responsible for ensuring that Respondent and its loan
13 originators and employees comply with the requirements of ORS 59.840 through
14 ORS 59.996, OAR 441-850-0005 through OAR 441-885-0010 and any rule, order
15 or policy issued by the Director. Respondent shall provide the Director with the
16 name and resume demonstrating the compliance supervisor's qualifications by
17 February 15, 2009. If, at any time after February 15, 2009, Respondent does not
18 have in its employ a compliance supervisor, regardless of the reason for that failure,
19 Respondent shall notify the Director within three working days that Respondent no
20 longer satisfies this requirement and shall provide to the Director within one week
21 of the occurrence a proposed plan to rectify the deficiency or a plan for the orderly
22 transfer of business to another mortgage broker or banker that is licensed to engage
23 in Oregon residential mortgage lending or exempt from the licensing requirements.

24 2. Respondent and the compliance supervisor shall conduct a monthly review of
25 Respondent's business practices to ensure that they comply with ORS 59.840
26 through ORS 59.996, OAR 441-850-0005 through OAR 441-885-0010 and any

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1 rule, order or policy issued by the Director. Respondent and the compliance
2 supervisor shall provide a certification to the Director by the fifteenth of each
3 month beginning with February 2009 and continuing each month thereafter that the
4 required review was completed and either a certification that Respondent operated
5 in compliance with ORS 59.840 through ORS 59.996, OAR 441-850-0005 through
6 OAR 441-885-0010 and any rule, order or policy issued by the Director or a
7 explanation of any deficiencies noted and the plan to correct them.

8 3. The compliance supervisor's review shall not be limited to loans originated for
9 Oregon borrowers, residents or sellers. The Division may, at any time, request to
10 review loans originated by Respondents for Oregon borrowers or borrowers located
11 in any other state. Respondents shall make these files and information available to
12 the Division.

13 4. The Director may order one or more examinations of Respondent reviewing
14 Respondent's compliance with ORS 59.840 through ORS 59.9965, OAR 441-850-
15 0005 through OAR 441-885-0010 and any rule, order or policy issued by the
16 Director. If Respondent fails to achieve an examination score of at least at 3, or
17 satisfactory rating, Respondent agrees to the revocation of the mortgage lender
18 license by the Director.

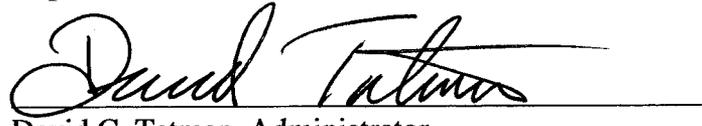
19 5. Respondent shall otherwise comply with ORS 59.840 through ORS 59.9965,
20 OAR 441-850-0005 through OAR 441-885-0010 and any rule, order or policy
21 issued by the Director.
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The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

Dated this 25th day of November, 2008 at Salem, Oregon.

CORY STREISINGER, Director
Department of Consumer and Business Services



David C. Tatman, Administrator
Division of Finance and Corporate Securities

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1 **CORPORATE CONSENT TO ENTRY OF ORDER**

2 I, Eric Christopherson, state that I am an officer of Allegro, and I am authorized to act
3 on its behalf; that I have read the foregoing Order and that I know and fully understand the
4 contents hereof; that I and this entity have been advised of the right to a hearing and of the right
5 to be represented by counsel in this matter; that Respondent voluntarily and without any force or
6 duress, consents to the entry of this Order, expressly waiving any right to a hearing in this
7 matter; that Respondent understands that the Director reserves the right to take further actions to
8 enforce this Order or to take appropriate action upon discover of other violations of the Oregon
9 Mortgage Lender Law; and that Respondent will fully comply with the terms and conditions
10 stated herein.

11 Respondent further assures the Director that neither Respondent, nor its officers,
12 directors, employees or agents will effect mortgage transactions in Oregon unless such activities
13 are in full compliance with the Oregon unless such activities are in full compliance with the
14 Oregon Mortgage Lender Law.

15 Respondent understands that this Consent Order is a public document.

16 Dated this 17th day of NOV 2008

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18 By: 
19 Eric Christopherson
20 President
Office Held

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