

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

4 In the Matter of:)
5 R L CASE ENTERPRISES INC,)
6 Respondent.)
7)
8)

M-09-0029- 4
FINAL ORDER TO CEASE AND
DESIST, ASSESSING CIVIL
PENALTIES
ENTERED BY CONSENT

9 WHEREAS the Director (the "Director") of the Department of Consumer &
10 Business Services for the State of Oregon (the "Department") conducted an
11 investigation into the activities of **R L CASE ENTERPRISES INC** (the "Respondent")
12 and determined that Respondent engaged in activities constituting violations of ORS
13 59.840 through 59.980 (hereinafter cited as the Oregon Mortgage Lender Law); and

14 WHEREAS Respondent wishes to resolve this matter with the Director,

15 NOW THEREFORE, as evidenced by the authorized signature subscribed on
16 this order, Respondent hereby **CONSENTS** to entry of this order upon the Director's
17 Findings of Facts and Conclusions of Law as stated hereinafter:

18 **FINDINGS OF FACT**

19 The Director **FINDS** that:

20 1. **R L CASE ENTERPRISES INC** ("Respondent") is or was engaged in Oregon
21 residential mortgage lending, operating from a principal place of business located at
22 **15000 OAK CANYON ROAD, POWAY, CA 92064**. Respondent obtained a license
23 **ML-1653** to engage in Oregon residential mortgage transactions that was effective in
24 2008.

25 2. ORS 59.860(3) requires that the Department's Division of Finance and Corporate
26 Securities (the "Division") obtain from licensed Oregon mortgage bankers and brokers





1 annual reports concerning their residential mortgage lending activities. Oregon
2 Administrative Rule (“OAR”) 441-865-0025 defines the data required to be included in
3 those reports and sets the deadline for filing them. The deadline for filing mortgage
4 lending annual reports was March 31, 2009.

5 3. On or about February 5, 2009, the Division activated a website
6 (<https://www4.cbs.state.or.us/exs/dfcs/mlrpt/>) for licensees to use to file their annual
7 reports. The Division posted a link to that website from the Division home page along
8 with information on the annual report requirement. In addition, on February 6, 2009,
9 the Division also posted a prominent notice on its Mortgage Lending Section website
10 (http://www.dfcs.oregon.gov/mortgage_lending.html).

11 4. On or about February 6, 2009, an e-mail was sent to all the valid e-mail addresses
12 the Mortgage Lending Section had for entities with a license at any time in 2008
13 reminding them of the requirement to file the report and providing information on how to
14 do so. The list of e-mail addresses was tracked on a spreadsheet (the “Annual Report
15 Spreadsheet”) and saved on the Division’s hard drive. Each “undeliverable” e-mail
16 address notice received was tracked on the Annual Report Spreadsheet. When the
17 Division received notice that the e-mail should be forwarded to a different address, a
18 Division employee forwarded the e-mail to the new address provided. This information
19 was also tracked on the Annual Report Spreadsheet.

20 5. On or about February 6, 2009, a letter was sent to all active licensees that had a
21 license any time in 2008 informing them of the requirement to file an annual report.

22 6. On March 9, 2009, another e-mail was sent to those entities for which the Division
23 had a valid e-mail address, with a license at any time in 2008, but that had not yet filed
24 an annual report. Again, the Division tracked those e-mails that were returned as
25 “undeliverable” and a Division employee forwarded e-mails as directed. This
26 information was tracked on the Annual Report Spreadsheet.

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
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1 7. On March 25, 2009, a final e-mail was sent to those entities the Division had a
2 valid e-mail address for that had not yet filed an annual report. The Division tracked
3 those e-mails that were returned as “undeliverable” and forwarded e-mails as directed.
4 This information was tracked on the Annual Report Spreadsheet.

5 8. On April 1, 2009, a final letter was sent to all active licensees that currently hold a
6 mortgage banker / broker license in Oregon and had a license at some point in 2008,
7 but had not yet filed an annual report. The letter reminded the licensees of the
8 obligation to file an annual report and of the \$100 per day penalty for failure to file the
9 report.

10 9. Respondent has now filed an annual report for mortgage lending business
11 conducted in 2008 and has written the Division to explain why it did not do so in a
12 timely manner.

13 10. Respondent also failed to timely file an annual report for mortgage lending
14 business conducted in 2007.

15
16 **CONCLUSION OF LAW**

17 1. By failing to file an annual report with the Director by March 31, 2009, Respondent
18 violated ORS 59.860(3) and OAR 441-865-0025.

19
20 **ORDER**

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

22 The Director, pursuant to its authority under ORS 59.885(4), hereby **ORDERS**
23 that Respondent shall **CEASE AND DESIST** from violating any provision of Oregon
24 Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order or
25 policy issued by the Division.

26 The Director, pursuant to ORS 59.996 hereby **ORDERS** Respondent to pay the
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1 State of Oregon a civil penalty of **\$1,000** based on Respondent's violations of ORS
2 59.860(3) and OAR 441-865-0025(3). Respondent has paid the ordered civil penalty in
3 full.

4
5 Dated this 24th day of December, 2009.

6 By:

7 CORY STREISINGER, Director
8 Department of Consumer and Business Services

9
10 /s/ David Tatman
11 David Tatman, Administrator
12 Division of Finance and Corporate Securities

13
14 **MORTGAGE BANKER / BROKER CONSENT TO ENTRY OF ORDER**

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

24 Respondent further assures the Director that neither Respondent, nor its officers,
25 directors, employees or agents will effect mortgage transactions in Oregon unless such
26 activities are in full compliance with Chapter 59 of the Oregon Revised Statutes.



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

2 Dated this 3rd day of December, 2009.

3 By /s/ Richard Case, President
4 (Signature) (Office Held)

5

6 **NOTARY ACKNOWLEDGMENT**

7 There appeared before me this 3rd day of December, 2009,

8 /s/ Renu A Khanna, Notary Public (Respondent's Representative) who was first duly

9 sworn on oath, and stated that he was and is President (Representative's Title) of

10 Respondent and that he is authorized and empowered to sign this Consent to Entry of

11 Order on behalf of Respondent, and to bind Respondent to the terms hereof.

12

/s/ Renu A Khanna

13 Signature of Notary Public

14 Notary Public for the State of: California.

15 My Commission Expires: May 2, 2010.

16 Dated this 3rd day of December, 2009.

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