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**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES  
BEFORE THE DIRECTOR OF THE DEPARTMENT  
OF CONSUMER AND BUSINESS SERVICES**

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**In the Matter of:**

**M-11-0021**

**Meredian Financial Corporation  
NMLS # 5869,  
  
Respondent.**

**Final Order to Cease and Desist and  
Order Assessing Civil Penalties  
Entered by Default**

On May 23, 2011, the Director (the “Director”) of the Department of Consumer and Business Services (the “Department”), acting by authority of Oregon Revised Statutes (“ORS”) 86A.100 et seq. (the “Oregon Mortgage Lender Law”), issued Administrative Order M-11-0021, Order to Cease and Desist, Order Assessing Civil Penalties, and Notice of Right to Hearing (the “Proposed Order”) against Meredian Financial Corporation. (the “Respondent”).

On May 24, 2011, Respondent was mailed true copies of the Proposed Order by regular, first-class mail and by certified mail, postage prepaid, return receipt requested, and addressed to the mailing address of record in the Nationwide Mortgage Licensing System for Meredian Financial Corporation, which is 3080 Bristol Street, Suite 430, in Costa Mesa, California, 92626.. The United States Post Office provided notice of the certified mail to Respondent on June 2, 2011, but Respondent has not responded to that notice. The Proposed Order mailed by regular mail has not been returned to the Department.

In addition, on May 24, 2011, the Oregon Agent for Service of Process for Respondent as noted in the records of the Oregon Secretary of State, Corporation Division, was mailed true copies of the Proposed Order by regular, first-class mail and by certified mail, postage pre-paid, return receipt requested, and addressed to Incorp Services Inc. at 820 North River Street, Loft 206, in Portland, Oregon, 97227. The certified mail was delivered and signed for on May 26,

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



1 2011. The Proposed Order mailed by regular mail has not been returned to the Department.

2 Respondent has not made a written request for a contested case hearing in this matter and  
3 the time to do so has expired.

4 Now therefore, after consideration of the Department's investigative file and the related  
5 documents, the Director hereby issues the following Findings of Fact, Conclusions of Law and  
6 Final Order.

### 8 **FINDINGS OF FACT**

9 The Director **FINDS** that:

10 1. Respondent held a license to engage in Oregon residential mortgage lending in 2010.

11 2. ORS 86A.112(3) requires that the Department's Division of Finance and Corporate  
12 Securities (the "Division") obtain from licensed Oregon mortgage bankers and brokers annual  
13 reports concerning their residential mortgage lending activities. Oregon Administrative Rule  
14 ("OAR") 441-865-0025 defines the data required to be included in those reports and sets the  
15 deadline for filing them. The deadline for filing mortgage lending annual reports with the  
16 Division for business conducted in 2010 was March 31, 2011.

17 3. By January 4, 2011, the Division made public a website located at  
18 <https://www4.cbs.state.or.us/exs/dfcs/mlrpt/index.cfm> for licensees to use to file their annual  
19 reports. The Division posted a link to that website from the Division home page along with  
20 information on the annual report requirement. In addition, the Mortgage Lender home page also  
21 contained a prominent notice.

22 4. On January 20, 2011, all firms that held a mortgage lender license as of that day were  
23 sent an e-mail that, inter alia, reminded the companies of the obligation to file the annual report  
24 by March 31, 2011.

25 5. By letter dated February 3, 2011, all firms that held a mortgage lending license in Oregon  
26 in 2010 were notified of the requirement to file the 2010 annual report by March 31, 2011.





1 6. On February 3, 2011, a Division employee sent an e-mail to all companies that were  
2 required to file the report for which it had a valid e-mail address, reminding them of the  
3 requirement to file the annual report.

4 7. On March 1, 2011, a Division employee sent another reminder e-mail to those companies  
5 that had not yet filed an annual report, for which it had valid e-mail addresses.

6 8. On March 14, 2011, a Division employee sent another reminder e-mail to those  
7 companies that had not yet filed an annual report, for which it had valid e-mail addresses.

8 9. On March 28, 2011, a Division employee sent another reminder e-mail to those  
9 companies that had not yet filed an annual report, for which it had valid e-mail addresses.

10 10. On April 1, 2011, a Division employee sent reminder letters to all the companies that  
11 have current mortgage lender licenses in Oregon and had a license in 2010, but had not yet filed  
12 an annual report. The letter reminded the licensees of the obligation to file an annual report,  
13 informed them again of the \$100.00 penalty per day for failure to file the report and noted that  
14 the Mortgage Lending Section would be forwarding those companies who had not filed the  
15 annual report by May 1, 2011 to the Enforcement Section for the enforcement of the civil  
16 penalty.

17 11. As of May 2, 2011, the Division had not received an annual report from Respondent.

## 18 CONCLUSION OF LAW

19  
20 1. By failing to file an annual report with the Director by March 31, 2011, Respondent  
21 violated ORS 86A.112(3) and OAR 441-865-0025.

## 22 ORDER

23  
24 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

25 The Director, pursuant to her authority under ORS 86A.115, ORS 86A.127, and ORS  
26 86A.118, hereby **ORDERS** that Respondent shall **CEASE AND DESIST** from violating any

1 provision of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any  
2 rule, order or policy issued by the Division; **AND**

3 The Director, pursuant to ORS 86A.992 and ORS 86A.118 hereby **ORDERS** Respondent  
4 to pay the State of Oregon a civil penalty of **\$3,200.00**. The civil penalty is based on a fine of  
5 \$100.00 per day for each day after March 31, 2011 through and including May 2, 2011 on which  
6 Respondent failed to file an annual report.

7  
8 Dated this \_\_\_16th\_\_\_ day of \_\_\_June\_\_\_\_\_, 2011, at Salem, Oregon.

9 Nunc Pro Tunc May 23, 2011.

10  
11 Scott L. Harra, Acting Director  
12 Department of Consumer and Business Services

13 /s/

14 \_\_\_\_\_  
15 David C. Tatman, Administrator  
16 Division of Finance and Corporate Securities

17 **NOTICE OF APPEAL RIGHTS**

18 You are entitled to seek judicial review of this Final Order. Judicial review may be obtained by  
19 filing a petition for review with the Oregon Court of Appeal in Salem, Oregon within sixty (60  
20 days from the date of service of this Final Order. Judicial review is pursuant to the provisions of  
21 ORS 183.482.

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