

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

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

In the Matter of:

Charmain Rene Edwards (NMLS ID# 106436),

Respondent.

Case No. M-13-0035

Order Granting Condition Mortgage Loan
Originator License and Consent to Entry of
Order

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”) conducted an investigation into the fitness of Charmain Rene Edwards (hereinafter “Edwards” or “Respondent”) to obtain a mortgage loan originator license under Oregon Revised Statutes (ORS) 86A.200 to 86A.239 and Oregon Administrative Rules (OAR) 441-850-0005 through 441-885-0010 (hereinafter collectively referred to as “Oregon Loan Originator Law”);

WHEREAS the Director has determined that the public interest is served by issuing a conditional mortgage loan originator license to Edwards pursuant to ORS 86A.224(1)(b); and

WHEREAS Edwards wishes to resolve her application for licensure expeditiously and in full cooperation with the Director, she agrees to enter into a consent agreement and order (“Order”) for conditional licensure as a mortgage loan originator pursuant to ORS 86A.200 to 86A.239;

NOW THEREFORE, the Director **GRANTS** a conditional mortgage loan originator license to Edwards subject to continuously meeting the requirements to maintain the license. Edwards **CONSENTS** to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter:

////

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 I. FINDINGS OF FACT

2 The Director FINDS that:

3 1. Respondent, NMLS ID Number 10436, applied for an Oregon mortgage loan
4 originator license on April 12, 2010 by completing an application (“Application”) through
5 the Nationwide Mortgage Licensing System (“NMLS”).

6 2. Respondent answered “yes” to question A(1) on the Application, which asks “Have
7 you filed a personal bankruptcy petition or been the subject of an involuntary bankruptcy
8 petition within the past 10 years?”. She indicated in supplemental application documents that
9 she had filed for Chapter 13 bankruptcy protection on January 22, 2008. Respondent attested
10 that the information on the license application and in supplemental documents was current,
11 accurate, and complete.

12 3. In reliance upon the information provided by Respondent on her application
13 and the supplemental application documents, the Director granted an Oregon mortgage
14 loan originator license on July 31, 2010.

15 4. Respondent’s Chapter 13 plan dated February 4, 2008, which required Respondent
16 to make monthly plan payments for 60 months to receive her Chapter 13 discharge, was
17 confirmed on April 2, 2008.

18 5. In 2010, Respondent requested and received an order reducing her Chapter 13 plan
19 payments from \$1,500.00 per month to \$500.00 per month for one year beginning October
20 2010 and then increasing to \$3,000.00 per month for the remaining life of the 60-month plan.

21 6. Respondent would have received her Chapter 13 discharge on April 2, 2013 if
22 she had made all the required Chapter 13 plan payments.

23 7. On March 29, 2012, Respondent voluntarily dismissed her Chapter 13 case before
24 receiving her Chapter 13 discharge.

25 8. On April 23, 2012, as required, Respondent filed an amendment to her Application
26 to explain the reasons for filing the 2008 Chapter 13 bankruptcy; however, she did not



1 disclose that she voluntarily dismissed the 2008 Chapter 13 bankruptcy case before receiving
2 her Chapter 13 discharge. Respondent attested that the information on the license
3 amendment was current, accurate, and complete.

4 9. On May 3, 2012, an examiner with the Oregon Division of Finance and Corporate
5 Securities (“Division”) reviewed the April 23, 2012 amendment and placed a deficiency on
6 Respondent’s license status in the NMLS directing Respondent to provide a copy of the
7 Chapter 13 bankruptcy discharge.

8 10. On July 30, 2012, after the Division requested a copy of the documents evidencing
9 her discharge, Respondent filed Chapter 7 bankruptcy protection.

10 11. On October 18, 2012, in response to the May 3, 2010 deficiency placed in NMLS,
11 Respondent filed an amendment to her Application in NMLS providing a copy of the order
12 confirming her Chapter 13 plan and a letter from her attorney explaining that the Chapter 13
13 bankruptcy case had been dismissed, and that Respondent had a pending Chapter 7 bankruptcy
14 petition. Respondent did not disclose that, on August 6, 2012, she had requested an extension of
15 the automatic stay to all creditors including, but not limited to, those creditors who held claims
16 arising after confirmation of her Chapter 13 plan as part of her Chapter 7 filing.

17 12. The October 18, 2012 response to the additional request for information concerning
18 the Chapter 13 bankruptcy was the first time that Respondent provided notice that she had filed
19 bankruptcy under Chapter 7 on July 30, 2012. Respondent attested that the information on the
20 license amendment was current, accurate, and complete.

21 13. On November 6, 2012, Respondent received a Chapter 7 discharge for the
22 bankruptcy case that was filed on July 30, 2012.

23 14. On November 27, 2012, Respondent filed a request in NMLS to renew her Oregon
24 mortgage loan originator license. As part of the renewal process, Respondent attested that the
25 information on the license amendment was current, accurate, and complete.

26 \\\



1 15. On November 27, 2012, a Division employee placed a deficiency on Respondent's
2 license status in NMLS seeking clarification of her bankruptcy history.

3 16. On December 27, 2012, Respondent filed an amendment to her Oregon license
4 application in NMLS that included a copy of her 2012 Chapter 7 discharge order; an
5 explanation that the 2012 Chapter 7 filing was a result of her inability to complete the
6 Chapter 13 bankruptcy because she was unable to make the required payments; and a new
7 disclosure that she had previously filed a Chapter 7 bankruptcy in 2003 and had received a
8 Chapter 7 discharge in 2004 (four years before filing her Chapter 13 bankruptcy).
9 Respondent attested that the information on the license amendment was current, accurate,
10 and complete.

11 17. A review of bankruptcy court records indicates that Respondent was granted a
12 Chapter 7 discharge on February 19, 2004.

13 18. The Bankruptcy Code (11 U.S.C. § 1328(f)(1)) requires an individual to wait four
14 years from the date of filing a Chapter 7 bankruptcy petition to file a Chapter 13 bankruptcy.

15 19. Respondent filed her first Chapter 7 bankruptcy petition on October 16, 2003 and
16 then filed her Chapter 13 bankruptcy petition on January 22, 2008.

17 20. According to the Claims Register for Respondent's 2003 Chapter 7 Bankruptcy,
18 Respondent discharged \$53,750.58 under the Chapter 7 bankruptcy.

19 21. When Respondent filed the subsequent Chapter 13 bankruptcy, she showed that she
20 had incurred \$32,900 in unsecured debt between the time of the 2004 Chapter 7 discharge and
21 the 2008 Chapter 13 filing. Additionally, the Claims Register for her 2008 Chapter 13
22 bankruptcy showed \$68,124.38 in unsecured priority claims for unpaid State and Federal taxes.

23 22. The Bankruptcy Code (11 U.S.C. § 1307(b)) allows a debtor to voluntarily
24 dismiss the Chapter 13 case before completing all plan payments and receiving a Chapter
25 13 discharge of obligations covered by the Chapter 13 plan.

26 \\



1 III. ORDER

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

3 29. The Director, pursuant to ORS 86A.224, hereby ORDERS that, effective the date of
4 this order, the Oregon loan originator license issued to Respondent shall be conditioned until
5 further order of the Director. In addition to the requirements of any mortgage loan originator
6 licensees including, but not limited to, the continuing education and renewal requirements, the
7 license shall be subject to the following conditions:

- 8 a. Respondent shall comply with ORS Chapter 86A, OAR 441-850-
9 0050 through OAR 441-885-0010 and any rule, order, or policy
10 issued by the Director.
- 11 b. Respondent shall file an amendment updating any information
12 contained on Respondent's licensing application in NMLS within
13 30 days of the change of any information.
- 14 c. Respondent shall respond within 30 days to any deficiency placed
15 on Respondent's license in the NMLS.
- 16 d. Respondent shall demonstrate financial responsibility under the standards
17 set forth in OAR 441-880-0210. This specifically means that
18 Respondent shall not have any unpaid judgments, unpaid tax liens,
19 foreclosures, bankruptcy filings or any three accounts that are 90 days or
20 more past due, and must comply with repayment plans, if any, as
21 required.

22 30. If Respondent fails to comply with the conditions of this license, Respondent
23 agrees to notify the Division of the failure to meet the conditions and surrender her license
24 immediately. If Respondent fails to surrender her license within seven days of providing
25 notification to the Division or from the date that the Division notifies Respondent that the
26 Director believes that there has been a violation of this Order, whichever is earlier,



1 Respondent agrees that the conditional mortgage loan originator license shall be revoked
2 immediately.

3 31. The date of this order is the day the Director or the Director's nominee signs the
4 order. The entry of this Order does not in any way limit further remedies which may be
5 available to the Director under Oregon law.

6
7 Dated this 20th day of March, 2013.

8 Patrick M. Allen, Director
9 Department of Consumer and Business Services

10
11 /s/ David Tatman
12 David C. Tatman, Administrator
13 Division of Finance and Corporate Securities

14
15 **CONSENT TO ENTRY OF ORDER**

16 I, Charmain Rene Edwards, NMLS ID Number 106436, state that I have read the
17 foregoing Order, and I know and fully understand the contents hereof. I have been advised
18 of the right to a hearing and of the right to be represented by counsel in this matter. I desire
19 to resolve and settle this matter with the Director. I voluntarily, without any force or duress,
20 consent to the entry of this Order, expressly waiving any right to a hearing in this matter. I
21 understand that the Director reserves the right to take further actions to enforce this Order or
22 to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender
23 Law, and I will fully comply with the terms and conditions stated herein.

24 \\\

25 \\\

26 \\\

