

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

In the Matter of

Case No. M-13-0160

SHAD STEDMAN CARSON,  
NMLS 135906,

Respondents.

FINAL ORDER TO CEASE AND  
DESIST, ORDER ISSUING  
CONDITIONAL MORTGAGE LOAN  
ORIGINATOR LICENSE, ORDER  
ASSESSING CIVIL PENALTIES AND  
CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (the "Director") has determined that Shad Stedman Carson ("Respondent") violated certain provisions of ORS Chapter 86A (the "Oregon Mortgage Lender Law"); and

The Respondent agrees to waive his right to an administrative hearing and to resolve and settle this matter by CONSENTING to entry this Final Order.

Now, therefore, as evidenced by the authorized signature subscribed on this document, the Director issues the following Final Order.

I. FINDINGS OF FACT

The Director FINDS that:

1. Shad Stedman Carson, NMLS ID Number 135906, obtained an Oregon mortgage loan originator license ("the License") on July 31, 2010, after completing an application through the Nationwide Mortgage Licensing System ("NMLS").
2. Respondent successfully renewed his license in 2010 and 2011 such that the License was then set to expire on December 31, 2012.
3. On July 12, 2012, Respondent filed an amendment to the License application, but did not provide the required supporting information. In response, an examiner placed





1 a deficiency on Respondent's NMLS record directing him to provide additional  
2 information.

3 4. On August 31, 2012, October 10, 2012, November 1, 2012, and November 26,  
4 2012, Respondent was sent e-mails, that among other things such as reminding him of  
5 required continuing education and the need to address deficiencies on the License,  
6 notified him that he would not be eligible to originate Oregon residential mortgage loans  
7 after December 31, 2012 unless his renewal request is approved.

8 5. On November 28, 2012, Respondent filed a request to renew the License.

9 6. The License could not be renewed because Respondent had not addressed the  
10 deficiency placed on the license on July 12, 2012.

11 7. At the end of the day on December 31, 2012, Respondent's License expired.

12 8. On January 2, 2013 and February 15, 2013, Respondent was sent an e-mail  
13 notifying him that he was not eligible to take Oregon residential mortgage loan  
14 applications because his renewal was still pending and he needed to address the  
15 deficiency on his license.

16 9. On March 12, 2013, another deficiency was placed in NMLS on Respondent's  
17 License notifying him that he must address the deficiencies by April 12, 2013 or his  
18 renewal request will be rejected. It also informed him again that he was not eligible to  
19 originate Oregon residential mortgage loans until the renewal is approved.

20 10. When Respondent did not address the deficiencies on the License, Respondent's  
21 renewal request was rejected on April 15, 2013.

22 11. In response, Respondent filed a new application for an Oregon loan originator  
23 license, which was approved on May 17, 2013.

24 12. Accordingly, Respondent was not licensed to engage in Oregon residential  
25 mortgage loans from January 1, 2013 through May 16, 2013.

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1 13. During the period between January 1, 2013 and May 16, 2013, Respondent  
2 engaged in loan origination activities in connection with five Oregon residential  
3 mortgage transactions.

## 4 II. CONCLUSIONS OF LAW

5 The Director CONCLUDES that:

6 14. Respondent engaged loan origination activities in five Oregon residential  
7 mortgage transactions when he was not licensed in violation of ORS 86A.203.

8 15. ORS 86A.224(1)(d) permits the director to condition Respondent's License  
9 as a result of Respondent engaging in loan origination activities without a license in  
10 violation of ORS 86A.203.

## 11 III. ORDER

12 Now, therefore, the Director issues the following ORDER:

### 13 Final Order to Cease and Desist

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

- 19 a. Respondent shall comply with ORS Chapter 86A, OAR 441-850-0050  
20 through OAR 441-885-0010 and any rule, order, or policy issued by the  
21 Director.
- 22 b. Respondent shall file an amendment updating any information contained  
23 on Respondent's licensing application in NMLS within 30 days of the  
24 change of any information.
- 25 c. Respondent shall respond within 30 days to any deficiency placed on  
26 Respondent's license in the NMLS.





1 d. Respondent shall only engage in Oregon residential mortgage loan  
2 origination activity when his Oregon license in an “approved,” “approved-  
3 conditional” or approved-deficient” status and his “renewed through” year  
4 in NMLS indicates that the license has been renewed for the current year.

5 17. If Respondent fails to comply with the conditions of the license, Respondent  
6 agrees to notify the Division of the failure to meet the conditions and surrender the  
7 license immediately. If Respondent fails to surrender his license within seven days of  
8 providing notification to the Division or from the date that the Division notifies  
9 Respondent that the Director believes that there has been a violation of this Order,  
10 whichever is earlier, Respondent agrees that the conditional mortgage loan originator  
11 license shall be revoked immediately.

12 18. The Director, pursuant to ORS 86A.992, may assess civil penalties of up to  
13 \$5,000 per violation of the Oregon Mortgage Lender Law.

14 19. The Director, pursuant to ORS 86A.992(2), hereby orders Respondent to  
15 pay a civil penalty of \$5,000.00 for the violation of ORS 86A.203.

16 20. The Director suspends payment of \$2,500.00 of the assessed civil penalty  
17 for a three-year period. If in the period between the date of the Order to three years from  
18 the date of the Order, Respondent violates any provision of the Oregon Mortgage Lender  
19 Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by  
20 the Division, the suspended portion of the assessed civil penalty will become  
21 immediately due and payable. If Respondent does not violate the Oregon Mortgage  
22 Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy  
23 issued by the Division in three years from the date of the Order, the suspended portion of  
24 the civil penalty is waived.

25 IV. AUTHORITY OF DIRECTOR TO SEEK OTHER  
26 REMEDIES UNDER OREGON LAW

21. This Order is a “Final Order” under ORS 183.310 (6)(b). It not subject to

1 judicial review under ORS chapter 183. Subject to ORS 183.310 (6)(b), the entry of this  
2 Order does not limit other remedies that are available to the Director under Oregon Law.

3 IT IS SO ORDERED.

4 Issued this \_15th \_ day of \_October \_\_\_\_\_, 2013.

5 PATRICK M. ALLEN, Director  
6 Department of Consumer and Business Services

7  
8 /s/ David Tatman \_\_\_\_\_  
9 David C. Tatman, Administrator  
10 Division of Finance and Corporate Securities

11 CONSENT OF RESPONDENT TO ENTRY OF ORDER

12 Subject to ORS 86A.154 (4), I affirm that I have read the foregoing Consent  
13 Order and know and fully understand the contents hereof. I voluntarily and without any  
14 force or duress, consent to the entry of this Consent Order and will fully comply with its  
15 terms and conditions. Before signing this Consent, I was advised of my right to a hearing  
16 and waive any right to a hearing that I may have in this matter. I also understand that this  
17 Consent Order is a public document.

18 /s/ Shad Stedman Carson \_\_\_\_\_  
19 Shad Stedman Carson

20 State of \_ OR \_\_\_\_\_

21 County of \_ Lane \_\_\_\_\_

22 Subscribed and sworn before me \_ Oct. 2nd \_\_\_\_\_, 2013.

23 \_Tara Ashley Holden \_\_\_\_\_  
24 Notary Public

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