

1
2 STATE OF OREGON
3 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
4 DIVISION OF FINANCE AND CORPORATE SECURITIES
5 MORTGAGE LENDING SECTION

6
7 BEFORE THE DIRECTOR OF THE DEPARTMENT
8 OF CONSUMER AND BUSINESS SERVICES

9 In the Matter of:

10 National Pacific Lending
11 NMLS# 240639

12 Respondent

13 M-15-0029
14 ORDER TO CEASE AND DESIST,
15 ORDER ASSESSING CIVIL PENALTIES,
16 AND
17 CONSENT TO ENTRY OF ORDER

18 WHEREAS the Director of the Department of Consumer and Business Services for the
19 State of Oregon (hereinafter “the Director”) conducted an investigation of National Pacific
20 Lending (hereinafter “NPL”) and determined that NPL engaged in an activities that constitute
21 violations of ORS 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter
22 collectively cited as the “Oregon Mortgage Lender Law”); and

23 WHEREAS NPL wishes to resolve and settle this matter with the Director,

24 NOW THEREFORE, as evidenced by the authorized signature subscribed on this order,
25 NPL hereby CONSENTS to entry of this order upon the Director’s Findings of Fact and
26 Conclusions of Law as stated hereinafter:

FINDINGS OF FACT

The Director FINDS that:

1. NPL is a California corporation with a principal place of business located at 23201 Mill Creek Drive #140 Laguna Hills, California 92653
2. NPL received a mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter “Division”) on October 31, 1999, NMLS# 240639.
 - I. Failure to Respond to the Exam Report





- 1 3. On October 9, 2014, the Division began an examination of NPL's books and records.
- 2 4. NPL received a score of 2 out of a possible 5, with 5 being the worst.
- 3 5. The 2014 examination noted various deficiencies. On December 3, 2014, the Division
- 4 sent the examination report detailing the deficiencies to NPL's principal place of business with a
- 5 request to provide a written response to the deficiencies noted within two weeks of receipt of the
- 6 report, as well as an invoice for examination fees.
- 7 6. On December 12, 2014, the Division received NPL's payment for the examination fees
- 8 but no response to the exam report.
- 9 7. On December 29, 2014, the Division sent an email to NPL reminding that the response to
- 10 the exam report was due and attached another copy of the exam report and extended the response
- 11 deadline to January 12, 2015.
- 12 8. The email was sent to reem@emortgage4u.com, which has been the email address of
- 13 record for NPL at all times relevant to this order.
- 14 9. Since the Division had not received a response, on January 28, 2015, the Division sent an
- 15 email to NPL reminding that the response was due and again attached another copy of the exam
- 16 report and extended the response deadline to February 11, 2015.
- 17 10. On February 26, 2015, the Division sent a letter to NPL's principal place of business with
- 18 another copy of the exam report noting that the response was due and failure to respond by
- 19 March 26, 2015 would result in enforcement action and a civil penalty.
- 20 11. The company did not respond by the deadline so the matter was sent for enforcement on
- 21 March 27, 2015.
- 22 12. NPL filed a response on April 1, 2015.
- 23 13. The Division spent eight hours of enforcement time following the issuance of the
- 24 examination report working to complete the examination.
- 25 II. Failure to Amend 2014 Fourth Quarter MCR
- 26 14. On January 22, 2015, NPL filed the 2014 fourth quarter mortgage call report (hereinafter



1 “MCR”) in the Nationwide Mortgage Licensing System (hereinafter “NMLS”).

2 15. An examiner employed by the Division reviewed the MCR that NPL filed and found that
3 the company reported no loan originators during the 2014 fourth quarter.

4 16. The NMLS shows that NPL had sponsored one mortgage loan originator’s license
5 throughout the entire fourth quarter of 2014.

6 17. The materials provided in NMLS explain how to complete the MCR and state that a
7 company must report all mortgage loan originators employed during the reporting period, even if
8 that loan originator did not originate any loans in that quarter.

9 18. On January 23, 2015, the Division examiner reviewing the filing placed a deficiency on
10 NPL’s license noting that the company was required to amend the 2014 fourth quarter MCR to
11 list the loan originator employed by the company.

12 19. After 30 days had passed since the deficiency was placed, on March 3, 2015, the Division
13 sent an email to the company’s email address of record notifying that the company was required
14 to respond to the deficiency placed in NMLS within 30 days.

15 20. The email reported that the matter would be referred for enforcement and a civil penalty
16 assessed on April 3, 2015 if the company failed to address the deficiency.

17 21. The email was sent to reem@emortgage4u.com which has been the email address of
18 record for NPL at all times relevant to this order.

19 22. Also on March 3, 2015, the Division sent a letter to NPL’s principal places of business
20 again notifying that if the company failed to respond to the deficiency, the matter would be
21 referred to enforcement on April 3, 2015.

22 23. On April 29, 2015, NPL responded to the deficiency and amended the 2014 fourth
23 quarter MCR.

24 CONCLUSIONS OF LAW

25 The Director CONCLUDES that:

- 26 1. By failing to produce a written response to the examination report by March 26, 2015,



1 NPL violated ORS 86A.112(2).

2 2. Eight hours of Division enforcement time spent preparing this case following the
3 issuance of the examination report subjects NPL to \$75 an hour examination expenses under
4 ORS 86A.124 and OAR 441-860-0110(2).

5 3. By failing to amend the information filed on the 2014 fourth quarter MCR to include its
6 Oregon loan originator within 30 days after the Division's notification to amend, NPL violated
7 ORS 86A.115(12) and OAR 441-870-0075.

8 ORDER

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

10 The Director, pursuant to ORS 86A.127, hereby orders NPL to Cease and Desist from
11 violating the Oregon Mortgage Lender Law.

12 Pursuant to OAR 441-860-0110(2), NPL must pay \$600 in additional examination
13 expenses (\$75.00 x 8) for the 8 hours of Division time spent preparing this case.

14 The Director, pursuant to ORS 86A.992, may assess civil penalties of up to \$5,000 per
15 violation of the Oregon Mortgage Lender Law. Pursuant to these provisions, the Director hereby
16 proposes to order NPL to pay a civil penalty \$850 for the violation of ORS 86A.115(12) and
17 OAR 441-870-0075.

18 The entry of this Order in no way limits further remedies which may be available to the
19 Director under Oregon law, including for the violations noted in the Conclusions of Law section
20 above.

21 Dated this 4th day of June, 2015.

22 PATRICK M. ALLEN, Director
23 Department of Consumer and Business Services

24
25 /s/ David Tatman
26 David C. Tatman, Administrator
Division of Finance and Corporate Securities

Division of Finance and Corporate Securities
Labor and Industries Building
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ENTITY CONSENT TO ENTRY OF ORDER

I, Reem Kurdmisto, state that I am an officer of NPL, and I am authorized to act on its behalf. I have read the foregoing order and that I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. NPL voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. NPL understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law. NPL will fully comply with the terms and conditions stated herein.

NPL further assures the Director that neither NPL, nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. NPL understands that this Consent Order is a public document.

Dated this 19th day of May, 2015.

By /s/ Reem Kurdmisto

President
Office Held

ENTITY ACKNOWLEDGMENT

There appeared before me this 19 day of May 2015,
Reem Kurdmisto, who was first duly sworn on oath, and stated that (s)he was and is an officer of NPL and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of NPL and to bind NPL to the terms hereof.

/s/ Melinda McDonald-Rodriguez

Notary Public for the State of: California
My commission expires: 05/04/2019