STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case Nos. M-24-0064
TODD JOSEPH KREJCI, Respondent.	FINAL ORDER GRANTING CONDITIONAL MORTGAGE LOAN ORIGINATOR LICENSE AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting by and through the Oregon Division of Financial Regulation ("Division") conducted an investigation into the fitness of Todd Joseph Krejci ("Krejci") to obtain a mortgage loan originator license under Oregon Revised Statutes ("ORS") 86A.200 to 86A.242 and Oregon Administrative Rules ("OAR") 441-850-0005 through 441-885-0010 (collectively, the "Oregon Mortgage Loan Originator Law").

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

Krejci wishes to resolve his application for licensure expeditiously and in full cooperation with the Director, and agrees to enter into a consent order ("Order") for conditional licensure as a mortgage loan originator pursuant to ORS 86A.200 to 86A.242.

Now, therefore, as evidenced by the signatures subscribed on this Order, the Director GRANTS a conditional mortgage loan originator license to Krejci subject to his continuously meeting the requirements to maintain the license. Krejci CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereafter:

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FINDINGS OF FACT

The Director FINDS that:

1. Krejci applied for a new Oregon mortgage loan originator license on July 31, 2023 by completing an application (the "Application") through the Nationwide Mortgage Licensing System ("NMLS"). Krejci's NMLS number is 1374025.

2. Krejci currently holds active mortgage loan originator licenses in the states of Alabama, Kansas, Maine, Michigan, New Hampshire, Tennessee, Washington, and Wyoming. Krejci voluntarily surrendered a mortgage loan originator licenses in the state of Arkansas, and previously held mortgage loan originator licenses that are now expired or inactive in the states of Indiana, Michigan, Ohio, and Virginia.

3. Additionally, the state of California denied the issuance of a mortgage loan originator license to Krejci in 2019. The California Department of Business Oversight listed a number of reasons for the denial, including: 1) a regulatory action brought by the National Futures Association against Krejci, which is discussed in more detail below; 2) bankruptcies that Krejci filed in 2009, 2012, and 2013; 3) a foreclosure proceeding to which Krejci was a subject; 4) Krejci's failure to disclose in his application that he had been previously employed as an account executive at 20/20 Precious Metals, Inc.;[1] and 5) false statements that Krejci allegedly made to the California Department of Insurance related to his discharge of a firearm.

4. In 2012, Krejci was the subject of a regulatory action in which the National Futures Association ("NFA") alleged that Krejci made deficient sales solicitations to

[1] 20/20 Precious Metals, Inc. ("20/20 Metals") and Krejci were both named as defendants in a 2011 action brought by the United States Commodity Futures Trading Commission ("CFTC") in US District Court for the Central District of California. The CFTC alleged that 20/20 Metals and Krejci violated 7 U.S.C. § 23 and 17 C.F.R. § 31.3 by committing fraud in connection with certain leverage transactions, and that they had violated 7 U.S.C. § 23 by executing certain leverage transactions involving copper and palladium. The District Court ultimately dismissed these claims—and 20/20 Metals and Krejci as defendants—because it determined that the contracts that 20/20 Metals used did not qualify as "leverage contracts" under 17 C.F.R. § 31.4(w), and that the CFTC therefore lacked the jurisdiction to bring claims against them under 7 U.S.C. § 23 and 17 C.F.R. § 31.3.

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customers. Krejci neither admitted nor denied these allegations, but did agree to a settlement offer under which the decision issued by the NFA Hearing Panel would include findings that he committed the violations alleged against him. Additionally, under the settlement, Krejci was barred from the commodities industry for three years and ordered to pay a fine of $25,000.00 if he later applied for a license from the NFA. The industry bar was lifted on February 1, 2015.

5. In addition to the bankruptcies mentioned above, Krejci also filed for protection under Chapter 7 of the United States Bankruptcy Code in 2023, which Krejci properly disclosed on his Oregon Application, and which ultimately resulted in an order discharging Krejci as a debtor.

6. Krejci initially failed to disclose his employment with 20/20 Precious Metals, Inc. on his Application, but promptly corrected the issue within a reasonable and acceptable time period after being notified by DFR staff.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Pursuant to ORS 86A.224(1)(b), the Director may deny, suspend, place conditions upon, revoke, or decline to renew a mortgage loan originator's license if the Director makes a finding under ORS 86A.212 that the Director believes justifies a decision to deny a mortgage loan originator's license.

8. The NFA regulatory action against Krejci, Krejci's four bankruptcies, and his initial failure to disclose his prior employment with 20/20 Precious Metals, especially in light of the allegations against Krejci and that entity by the CFTC, could provide the Director with justification for a denial of the Application under ORS 86A.212(1)(d), which requires that an applicant demonstrate "financial responsibility sufficient to command the confidence of the community and warrant the determination that the applicant will operate honestly, fairly and efficiently."

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9. Because the Director made findings under ORS 86A.212(1)(d) that justify a decision to deny the Application, the Director may instead place conditions upon Krejci's mortgage loan originator license pursuant to ORS 86A.224(1)(b), and Krejci has voluntarily agreed to such conditions.

ORDERS

Now therefore, the Director issues the following Orders:

10. As authorized by ORS 86A.224(1)(b), the Director hereby ORDERS that, effective upon the date this Order is signed by the Director or its nominee, Krejci will be issued an Oregon mortgage loan originator license on the Conditions that follow below. These Conditions shall remain in place for a period of at least five years from the date of this Order, after which time Krejci may request that the Director remove the Conditions on his license, as discussed in paragraph 12 below. In addition to the requirements of any mortgage loan originator license including, but not limited to, the continuing education and renewal requirements, Krejci's license shall be subject to the following conditions (the "Conditions"):

(A) Krejci shall at all times comply with all provisions of Oregon Mortgage Loan Originator Law and with the notification requirements pursuant to OAR 441-880-0320;

(B) Krejci shall disclose the Conditions, as well as a copy of this order, to all of his employers engaged in the business of mortgage loan origination prior to agreeing to employment or, if he is already so employed, immediately after this order takes effect;

(C) Individuals employed by DFR may speak freely with any of Krejci's current or future employers engaged in the business of mortgage loan origination concerning the circumstances leading to the Conditions, and the Conditions themselves;

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(D) Krejci's current employer, and any future employers engaged in the business of mortgage loan origination, shall provide DFR with a brief description of a supervision plan that includes sufficient controls to ensure that Krejci's descriptions, communications and disclosures of products and services are limited to actually available terms; and

(E) Krejci is barred from taking any position as a control person, management, or trainer role at any company providing services in Oregon that are regulated by DFR without first obtaining prior written approval from DFR.

11. If Krejci fails to comply with the Conditions of this license, he shall immediately notify the Division of the failure to meet the Conditions and surrender his license. If Krejci fails to surrender his license within seven days of providing notification to the Division or from the date that the Division notifies Krejci that the Director believes that there has been a violation of this Order, whichever is earlier, Krejci agrees that his conditional mortgage loan originator license may be revoked immediately.

12. Notwithstanding the foregoing, Krejci may, following a period of five years wherein he timely files all required reports and no open or substantiated complaints are made with the Division against him, make written request that the Director remove any or all of the above-described conditions on his mortgage loan originator license. The Director shall review and act upon any future request for licensing according to the current law, including any rights available to request a contested case hearing on a licensing or registration decision. This does not mean the request will be granted, but the request will be reviewed and evaluated.

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13. The entry of this order does not in any way limit further remedies that may be available to the Director under Oregon law.

SO ORDERED this 30th day of December, 2024.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Todd Joseph Krejci, NMLS ID No. 1374025, state that I have read the foregoing order and 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. I desire to resolve and settle this matter with the Director. I voluntarily, without any force or duress, consent to the entry of this order, expressly waiving any right to a hearing in this matter. I understand that the Director reserves the right to take further actions to enforce this order or to take appropriate actions upon the discovery of other violations of the Oregon Mortgage Loan Originator Law, and I will fully comply with the terms and conditions stated herein.

I further understand that this consent order is a public document.

Dated this 23rd day of December 2024.

/s/ Todd Joseph Krejci
Todd Joseph Krejci

State of Tennessee

County of Williamson

Signed or attested before me on this 23rd day of December , 2024

By Todd Krejci.

/s/ Kaleb Herrera
Notary Public

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