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

In the Matter of: DOD Ventures Inc, NMLS# 1338336, Respondent.	Case No. M-19-0057 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER REVOKING LICENSE, ENTERED BY DEFAULT

On July 24, 2019, the Director of the Department of Consumer and Business Services for the state of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") 86A.100 et seq. and Oregon Administrative Rules ("OAR") 441-850-0005 through 441-885-0010 ("the Oregon Mortgage Lender Law"), properly served notice on DOD Ventures Inc ("DOD") that the Director proposed to revoke DOD's mortgage broker license.

The Notice offered DOD an opportunity for a hearing, if requested within 20 days. The Notice further informed DOD that if a hearing was not conducted because DOD did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by DOD in this case would automatically become part of the contested case record for the purpose of providing a *prima facie* case.

The Director did not receive from DOD a request for a hearing and did not conduct a hearing.

The Director Finds that the record of this proceeding proves a *prima facie* case.

The Director makes the following Findings of Fact, Conclusions of Law, Orders, and Notice of Right to Judicial Appeal.

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FINDINGS OF FACT

The Director FINDS that:

1. DOD is a Nevada corporation first formed on December 1, 2015 with its principal office located at 5003 Pacific Ave, Unit #1, Marina Del Rey, CA 90292.

2. DOD received a mortgage broker license from the Oregon Division of Financial Regulation ("Division") on October 19, 2017, Nationwide Multistate Licensing System & Registry ("NMLS") # 1338336.

3. On November 20, 2018, the Division was scheduled to conduct a mortgage examination of DOD. DOD's President and Owner, Jaymini Dave ("Dave") rescheduled the examination for December 2018, due to certain personal circumstances.

4. On December 21, 2018, a Division Examiner ("Examiner") emailed Dave to reschedule DOD's mortgage examination.

5. On January 8, 2019, the Examiner received an email from Dave, indicating that she had returned to her office and was ready to begin the examination.

6. On January 9, 2019, the Examiner sent Dave a request to complete the examination questionnaire and to submit a list of items and documents through Biscom, a secure portal for uploading documents to the Division.

7. On January 15, 2019, the Division received an email from Dave, claiming that the previous email went into her spam folder and that she would "get these items to [the Division] right away."

8. On January 29, 2019, the Examiner emailed Dave to once again request the exam documents, after repeated unsuccessful attempts to reach Dave by phone during the two previous weeks.

9. On January 30, 2019, the Examiner received an email from Dave representing that she uploaded the requested items on January 15, 2019, and that she would "re-upload them on this evening."

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10. On January 30, 2019, the Examiner received a notification that documents from Dave were received through Biscom. The Examiner confirmed the received items, which included a completed Oregon mortgage lender questionnaire and request of items ("Questionnaire"), a quality control plan, and two months of bank statements. The Questionnaire stated that DOD had completed two Oregon mortgages from January 1, 2017 to September 30, 2018. The Examiner then requested that Dave upload the two completed loan files to Biscom by February 1, 2019. In a separate email, the Examiner also requested that Dave provide the mandatory state criminal background check and a personnel ledger documents. Dave confirmed receipt of this email.

11. On or about February 1, 2019, the Examiner left Dave a voicemail indicating that the requested exam documents had not been received, despite the Examiner's previous emails to DOD to see if it had any questions regarding the request for the two loan files.

12. On February 5, 2019, the Division received an email from DOD stating that, though they did receive the Examiner's voicemail, they never received "the email with additional requests but will upload that again tomorrow." On February 6, 2019, the Examiner emailed DOD stating "Yes, please upload the two funded Oregon loans."

13. On February 12, 2019, the Division received an email from Dave claiming she "didn't hear back from [the Division]" and that she "just wanted to confirm the two loans were uploaded properly. Thank you!" On the same day, the Examiner emailed DOD to advise that the two loan files were not found in Biscom. The Examiner then requested Dave to upload the two loan files again.

14. On February 28, 2019, the Examiner had a conversation with Dave reminding her of the request to upload the two loan files.

15. By April 4, 2019, the Division still had not received the two requested loan files or any response from Dave or DOD by phone, text, email or through Biscom, after repeated requests in March 2019.

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16. On May 2, 2019, the Examiner completed the Mortgage Lender Report of Examination ("Exam Report").

17. On May 3, 2019, the Division mailed the Exam Report to DOD Ventures Inc. at 5003 Pacific Ave, Unit 1, Marina Del Rey, CA 90282. The Division also mailed a cover letter and an invoice for exam fees. The cover letter emphasized concerns raised in the Exam Report and requested a written response from DOD within 30 days from the letter's date. DOD did not submit a response to the Exam Report.

18. On June 3, 2019, the Division was notified through NMLS that DOD had paid its exam fees in the amount of $1,462.50.

19. DOD failed to timely file the following Residential Mortgage Lending quarterly reports:

A. The 2017 fourth quarter report was not filed until March 23, 2018, 37 days after the due date.

B. The 2018 first quarter report was not filed until July 17, 2018, 63 days after the due date.

C. The 2018 third quarter report was not filed until December 15, 2018, 34 days after the due date.

D. The 2018 fourth quarter report was not filed until March 26, 2019, 40 days after the due date.

20. DOD failed to timely file the following annual Standard-Financial Condition reports:

A. The report for the fiscal year of 2017 was not filed until September 17, 2018, 170 days after the due date.

B. The report for the fiscal year of 2018, due March 31, 2019, has not yet been filed.

21. DOD failed to file the following Financial Statement Summaries:

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A. The report for the fiscal year of 2017, due March 31, 2018, has not yet been filed.

B. The report for the fiscal year of 2018, due March 31, 2019, has not yet been filed.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

22. Under ORS 86A.127(4), whenever the Director has reasonable cause to believe that any person has been engaged or is engaging or is about to engage in any violation of the Oregon Mortgage Lender Law, the Director may issue an order to that person to cease and desist from such violation or threatened violation.

23. ORS 86A.124 provides that the Director may examine at any time mortgage brokers and the records and activities connected with mortgage brokers.

24. ORS 86A.112(1) requires that a mortgage broker make and keep accounts, correspondence, memoranda, papers, books and other records that the Director by rule or order prescribes. The director may examine the records within or outside this state at any reasonable time or times and may require without subpoena the production of the records at the office of the director as often as is reasonably necessary. DOD violated ORS 86A.112(1) by failing to provide the two funded Oregon mortgage loan files as requested by the Examiner as part of the examination.

25. OAR 441-865-0050(1) requires a mortgage broker to maintain personnel ledgers for all employees. DOD violated ORS 86A.112(1) by failing to provide personnel ledgers as requested by the Examiner.

26. OAR 441-860-0045(1) requires a mortgage broker to conduct a state criminal records check for each individual employed by the mortgage broker. DOD violated ORS 86A.112(1) by failing to provide criminal records check as requested by the Examiner.

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27. OAR 441-865-0025 requires that no later than 45 days following the end of each quarter, a mortgage broker must file a report of condition with the Director concerning the broker's business and operations conducted during the preceding calendar year related to residential mortgage transactions. DOD violated OAR 441-865-0025 by failing to timely file four quarterly reports, as described in paragraph 19.

28. ORS 86A.239(2) requires that a person that employs a licensed mortgage loan originator shall submit a report of condition to NMLS. The form and contents of the report and the times at which the licensed mortgage loan originator submits the report shall comply with the specifications of NMLS. DOD violated 86A.239(2) by failing to timely file Standard-Financial Condition Reports for the 2017 and 2018 fiscal years, as described in paragraph 20.

29. ORS 86A.112(2) requires that a mortgage broker file financial reports that the Director requires by rule or order. OAR 441-865-0020(5) requires that a mortgage broker maintain financial statements, including a balance sheet and a statement of income or operations, dated not more than ninety days following the end of the company's fiscal year. DOD violated ORS 86A.112(2) by failing to file the Financial Statement Summary for the 2017 and 2018 fiscal years, as described in paragraph 21.

30. Under ORS 86A.115(3), the Director may revoke a mortgage broker license for willfully or repeatedly violating or failing to comply with a provision of ORS 86A.095 to 86A.198 or a rule promulgated thereunder. DOD repeatedly violated ORS 86A.112(1) by failing to respond to the Director's examination requests and ORS 86A.112(2) for failing to file reports.

31. Under ORS 86A.115(12), the Director may revoke a mortgage broker license for failing to comply with requirements of ORS 86A.112 or a rule promulgated thereunder. DOD repeatedly violated ORS 86A.112(1) by failing to respond to the Director's examination requests and ORS 86A.112(2) for failing to file reports.

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ORDERS

Now therefore, the Director issues the following Order:

32. As authorized by ORS 86A.127(4), the Director orders DOD to CEASE & DESIST from violating any provision of Oregon Mortgage Lender Law.

33. The Director, pursuant to 86A.115(3) and (12), hereby REVOKES the Oregon mortgage broker license of DOD.

SO ORDERED this 21st day of August , 2019 in Salem, Oregon.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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