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

In the Matter of: WILLIAM A. KREKLAU, NMLS# 950753 Respondent.	Case No. M-19-0137 ORDER ACCEPTING MORTGAGE LOAN ORIGINATOR LICENSE SURRENDER, ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER THIS IS A FINAL ORDER

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director") conducted an investigation of William A. Kreklau ("Respondent") and determined that Respondent engaged in activities constituting violations of ORS 86A.100 et seq. and OAR 441-850-0005 through OAR 441-885-0010 ("Oregon Mortgage Lender Law"); and

WHEREAS Respondent, independent of any alleged violations, has requested to voluntarily surrender his mortgage loan originator license in the state of Oregon; and

WHEREAS, without any admission of fault or liability, Respondent wishes to finally resolve and settle this matter with the Director, as is required to voluntarily surrender his license;

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Respondent hereby CONSENTS to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a Texas resident and has been licensed as an Oregon mortgage

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loan originator since October 25, 2012. Respondent's Nationwide Mortgage Licensing System ("NMLS") number is 950753.

2. On or around November 5, 2019, the Division received State Regulatory Registry Investigative Report 232-235 (the "SRR Report") dated September 27, 2019 from the Mortgage Testing and Education Board. The SRR Report alleged that, in August 2019, Respondent and three other individuals had either completed online continuing education courses ("CE Courses") on behalf of someone else or had someone else complete online CE Courses on their behalf. The SRR Report concluded that Respondent and the three other individuals violated the following NMLS Rules of Conduct ("ROC"):

A. ROC 4, which states: "I will not divulge my login ID or password or other login credential(s) to another individual for any online course."

B. ROC 5, which states: "I will not seek or attempt to seek outside assistance to complete the course."

C. ROC 6, which states: "I will not give or attempt to give assistance to any person who is registered to take an NMLS approved pre-licensure or continuing education course."

D. ROC 9, which states: "I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure."

3. On November 7, 2019, Respondent explained to the Division over the phone that he had personally taken the August 2019 CE Courses from his home and that no other persons were in the home during that time. The Division requested from Respondent a written explanation for the allegations contained in the SRR Report.

4. On November 13, 2019, Respondent sent an email to the Division stating that "…regarding the SRR allegations that they are true; an individual used to work with in

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Tennessee reached out to me and offered to do my continuing education."

5. On November 20, 2019, the Division emailed Respondent and offered Respondent an opportunity to surrender his mortgage loan originator license pursuant to terms contained in a consent order. Respondent responded to the Division via email and stated that he would be willing to sign such a consent order.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. Pursuant to ORS 86A.127(4), if the Director has reasonable cause to believe that any person has been engaged, is engaging or is about to engage in any violation of any provision of ORS 86A.095 to 86A.198, may issue an order, subject to ORS 86A.139, directed to the person, and to any other person directly or indirectly controlling the person, to cease and desist from the violation or threatened violation.

7. Pursuant to ORS 86A.183(1)(a), a mortgage banker, mortgage broker or mortgage loan originator may not engage in dishonest, fraudulent or illegal practices or conduct in a business or profession or engage in unfair or unethical practices or conduct in connection with the mortgage business.

8. Respondent engaged in unfair or unethical practices or conduct in connection with the mortgage business as described in Paragraph 2 above.

9. Pursuant to ORS 86A.121(2), a mortgage banker or mortgage broker may surrender a license by filing an application to surrender the license. Unless the Director determines that the license should be suspended or revoked, the Director shall allow the surrender subject to any conditions, limitations and restrictions the director may impose.

10. Pursuant to ORS 86A.992(1), any person who violates or who procures, aids or abets in the violation of any provision of ORS 86A.095 to 86A.198 or any rule or order of the Director shall be subject to a penalty of not more than $5,000 for every violation, which shall be paid to the General Fund of the State Treasury.

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ORDERS

The Director issues the following ORDERS:

11. As authorized by ORS 86A.127(4), the Director ORDERS Respondent to CEASE AND DESIST from engaging in unfair or unethical practices or conduct in connection with the mortgage business.

12. Based upon the foregoing and as authorized by ORS 86A.121(2), the Director hereby accepts the voluntary SURRENDER of Respondent's Oregon mortgage loan originator license.

13. Based upon the foregoing and as authorized by ORS 86A.992(1), the Director ORDERS that Respondent pay a CIVIL PENALTY of $5,000 for violating ORS 86A.183(1)(a).

14. The Director SUSPENDS the collection of the $5,000 CIVIL PENALTY assessed above, so long as Respondent agrees to never apply for any license authorized by ORS Chapter 86A, or have any equity interest in, or be an officer or director of, any person that is issued any license authorized by ORS Chapter 86A. Respondent may however own an interest in a publically traded mortgage company not to exceed 1%.

15. The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

SO ORDERED this 27th day of November, 2019.

LOUIS SAVAGE, Acting 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, William A. Kreklau , state that I have read the foregoing Consent Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Consent Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Consent Order; that I understand that the Director reserves the right to take further actions against me to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

/s/ William Kreklau
William A. Kreklau

State of Texas

County of Collin

Signed or attested before me on this 19th day of December, 2019 by William A. Kreklau.

/s/ Kathleen McGuire
Notary Public

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