

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
2 DIVISION OF FINANCE AND CORPORATE SECURITIES
3 FINANCE SECTION
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 STATE OF OREGON

6 In the Matter of
7 FINANCIAL ADVANTAGE CORP.

8 ORDER NO. O-02-0082
9 CEASE AND DESIST ORDER AND
10 CONSENT TO IMPOSITION OF CIVIL
11 PENALTIES

12 To: Financial Advantage Corp.
13 2709 Wetmore Ave
14 Everett, WA 98201

15 WHEREAS the Director of the Department of Consumer and Business Services
16 for the State of Oregon (hereinafter "the Director") conducted an investigation of
17 Financial Advantage Corp., and determined that Financial Advantage Corp. engaged
18 in activities constituting violations of ORS 59.840 through 59.965 (hereinafter "the
19 Oregon Mortgage Lender Law"); and

20 WHEREAS Financial Advantage Corp. wishes to resolve and settle this matter
21 with the Director;

22 NOW THEREFORE, as evidenced by the authorized signatures subscribed on
23 this order Financial Advantage Corp. hereby **CONSENTS** to entry of this order upon the
24 Director's Findings of Fact and Conclusions of Law as stated hereinafter:

25 **FINDINGS OF FACT**

26 The Director **FINDS** that:

1. Financial Advantage Corp. (hereinafter "Respondent"), incorporated in
Washington on July 15, 1998 engages in residential mortgage transactions in Oregon
or on Oregon real property in expectation of compensation.

1 2. The Director has licensed Respondent to engage in Oregon residential
2 mortgage lending since December 4, 2000.

3 3. Jeff Umperovitch is the owner of Respondent.

4 4. On October 12, 2001, the Director sent notice to all licensees that there had
5 been changes in the Oregon Mortgage Lender Law and proposed changes in the
6 administrative rules.

7 5. In January 2002, the Director published a new issue of the Mortgage Lender
8 News on the web site which included an explanation of the new notification
9 requirements.

10 6. On February 14, 2002, the Director sent a notice to all licensees that the final
11 rules had been approved and were available on the web site along with the January
12 2002 issue of the Mortgage Lender News which explained the new requirements.

13 7. On August 9, 2002, the Director sent a letter to Respondent informing
14 Respondent that the Director had not received notification of Respondent's loan
15 originators and requesting that Respondent provide the required information by
16 September 1, 2002 to avoid civil penalties.

17 8. On September 1, 2002, the Director had not received notification of
18 Respondent's loan originators.

19 9. On September 24, 2002, the Director left a voice mail message for Jeff
20 Umperovitch, owner of Respondent, informing Respondent that the Director had not
21 received the required loan originator information and that the Director was beginning the
22 process of issuing civil penalties to companies that failed to comply with the notification
23 requirements but if Respondent submitted their information prior to Director
24 commencing administrative action that the information would be accepted as compliant..

25 10. On September 24, 2002, Jeff Umperovitch spoke with the Director and
26 indicated that he would fax the required loan originator information.

1 11. On September 25, 2002, the Director received a one page facsimile listing the
2 names and social security numbers of Respondent's loan originators but the facsimile
3 did not contain all the required information nor was it on the form required.

4 12. On September 25, 2002, the Director sent Respondent a facsimile with the
5 loan originator notification form requesting that Respondent complete the loan originator
6 information form for each of Respondent's loan originators and return the completed
7 form to the Director.

8 13. On October 23, 2002, the Director had still not received the completed loan
9 originator information form for Respondent's loan originators.

10 14. On October 23, 2002, the Director sent Respondent a second facsimile with
11 the loan originator information form requesting that Respondent complete the loan
12 originator information form for each of Respondent's loan originators and return the
13 completed form to the Director and informing Respondent that all companies needed
14 to be in compliance with the requirements by the end of the month or the Director would
15 issue a civil penalty.

16 15. As of December 17, 2002, Respondent still has not produced the loan
17 originator information as requested.

18 **CONCLUSIONS OF LAW**

19 The Director **CONCLUDES** that:

- 20 1. Respondent violated OAR 441-880-0030(1) by failing to produce the required
21 information about Respondent's loan originators by January 30, 2002.
- 22 2. Respondent violated ORS 59.969(1) by failing to provide to the Director information
23 about Respondent's loan originators.

24 **ORDER**

25 The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that Financial
26 Advantage Corp. will **CEASE AND DESIST** from violating any provision of Oregon

1 Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order,
2 or policy issued by the Division.

3 The Director, pursuant to ORS 59.996 hereby **ORDERS** Financial Advantage
4 Corp. to pay the State of Oregon a civil penalty of \$5,000.

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

7

8 Dated this 25th day of FEBRUARY, 2003.

9

10 **CORY STREISINGER, DIRECTOR**
11 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

11

12
13 by 
14 **FLOYD G. LANTER, ADMINISTRATOR**
15 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

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17 **CONSENT TO ENTRY OF ORDER**

18 I, JEFF UMPEROVITCH, state that I am the
19 PRESIDENT of Financial Advantage Corp., and I am authorized to act on
20 its behalf; that I have read the foregoing Order and that I know and fully understand the
21 contents hereof; that Financial Advantage Corp. admits the findings of fact herein,
22 voluntarily consents to the entry of this Order without further hearing, expressly waiving
23 any right to a hearing in this matter; that Financial Advantage Corp. understands that
24 the Director reserves the right to take further actions to enforce this order or to take
25 appropriate action upon discovery of other violations of Oregon Mortgage Lender Law;
26 and that Financial Advantage Corp. will fully comply with Oregon Mortgage Lender Law.

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I understand that this Consent Order is a public document.

Dated this 11th day of February, 2003.

By JEFF UMPEROVITCH PRESIDENT
(Office Held)

[Handwritten Signature]
(Signature)

CORPORATE ACKNOWLEDGMENT

There appeared before me this 11th day of February, 2003
Jeff Umperovitch, who was first duly sworn on oath, and stated that s/he was
and is the President of Financial Advantage Corp. and
Jeff Umperovitch is authorized and empowered to sign this Consent to Entry of
Order on behalf of Financial Advantage Corp. and to bind Financial Advantage Corp.
to the terms hereof.

Tamera L. Allen
Signature of Notary Public
Notary Public for the State of: Washington
My Commission expires: 12/29/05

