

1 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
2 **DIVISION OF FINANCE AND CORPORATE SECURITIES**
3 **FINANCE SECTION**
 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

4 **In the Matter of:**
5 **BIG HORN MORTGAGE INC.,**
6 **Respondent.**

M-02-0070
ORDER TO CEASE AND DESIST
ORDER ASSESSING CIVIL PENALTIES
And
CONSENT TO ENTRY OF ORDER

7
8
9 The Director of the Department of Consumer and Business Services for the State
10 of Oregon (hereinafter "the Director") acting by the authority of the Oregon Mortgage
11 Lender Law, Chapter 59 of the Oregon Revised Statutes (hereinafter cited as "the
12 Oregon Mortgage Lender Law"), hereby issues the following Findings of Fact,
13 Conclusions of Law, Order and Notice of Right to a Public Hearing:

14 **FINDINGS OF FACT**

15 The Director **FINDS** that:

16 1. Big Horn Mortgage, Inc. (hereinafter "Respondent") was an Oregon
17 corporation formed on December 9, 1999. Respondent engaged in Oregon residential
18 mortgage transactions in expectation of compensation.

19 2. Robert Entler was the sole owner of Respondent.

20 3. The Director first issued a mortgage banker/broker license to Respondent on
21 January 20, 2000. Respondent was continuously licensed until January 14, 2004 when
22 Respondent's license was cancelled based upon Respondent's failure to maintain a
23 surety bond continuously.

24 **Advertising Issue**

25 4. Respondent placed two advertisements in The Oregonian newspaper on
26 November 3, 2002 and November 24, 2002 which did not conform to the advertising

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 regulations of the Truth in Lending Act. Specifically, the advertised annual percentage
2 rates were not as conspicuous as the note rates, and the advertisements did not contain
3 the amount or percentage of down payment and the terms of repayment.

4 5. After Respondent received notice of the violations, Respondent changed its
5 advertising to conform to the regulations.

6 **Loan Originator Notification Issue**

7 6. On January 1, 2002, new regulations (OAR 441-880-0030) went into effect
8 which required Respondent to provide written notice within 30 days following the
9 termination of a loan originator. The written notice must contain the name, termination
10 date and the last known contact information for the loan originator. In 2002,
11 Respondent did not provide timely notice on three of its loan originators – Beau
12 Thomas, Darin Lacount and Thomas Doyle.

13 **CONCLUSIONS OF LAW**

14 The Director **CONCLUDES** that:

15 1. Respondent violated 12 CFR 226.24(b) by failing to make the annual
16 percentage rate at least as conspicuous as the note rate in the advertisement in the
17 November 3, 2002 and November 24, 2002 advertisements.

18 2. Respondent violated 12 CFR 226.24(c)(2)(i) and (ii) by failing to disclose the
19 amount of percentage of down payment and the terms of repayment when Respondent
20 placed trigger terms in the November 3, 2002 and November 24, 2002 advertisements.

21 By violating these regulations, Respondent violated ORS 59.865(2).

22 3. Respondent violated ORS 59.969(1) and OAR 441-880-0030(4) by failing to
23 provide to the Director proper and timely notice of the termination information of three
24 loan originators

25 **ORDER**

26 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Big Horn



Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 Mortgage Inc. will **CEASE AND DESIST** from violating any provision of Oregon
2 Mortgage Lender Law, OAR 441-850-005 through 441-885-0010 and any rule, order or
3 policy issued by the Division.

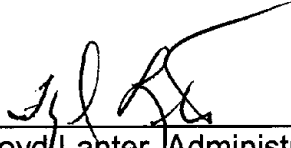
4 The Director, pursuant to ORS 59.996 hereby **ORDERS** Big Horn Mortgage Inc.
5 to pay the State of Oregon a civil penalty of \$6,000.00 based upon \$3,000.00 for the
6 advertising violation and \$3,000.00 for the failure to notify of loan originator violation.

7 The \$6,000.00 civil penalty may be paid in minimum monthly installments of
8 \$500.00. The first payment is due no later than November 1, 2005 and payment shall
9 be due thereafter on the first day of each month until the \$6,000.00 civil penalty is paid
10 in full. If any one payment is not received by the Director by the fifth day of the month
11 in the month it is due, the entire unpaid portion of the civil penalty, calculated by
12 subtracting the payments received by the Division from the total civil penalty of
13 \$6,000.00, becomes immediately due and payable.

14 The date of this order is the day the Director signs the order. The entry of this
15 order does not limit the Director from pursuing further remedies based on new
16 information discovered since the date of this order. Any further remedies may be based
17 solely on the new information or upon the new information in conjunction with the facts
18 underlying this order.

19 Dated this 19th day of September, 2005, at Salem, Oregon.

20 CORY STREISINGER, Director
21 Department of Consumer and Business Services

22 
23 _____
24 Floyd Lanter, Administrator
25 Division of Finance and Corporate Securities

26 APPROVED AS TO FORM:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Bonnie Richardson
Bonnie Richardson
Attorney for Respondent

Dated: 9/12/05

CORPORATE CONSENT TO ENTRY OF ORDER

I, Robert Entler, state that I am an officer of Big Horn Mortgage Inc., and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that I and this entity have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that Big Horn Mortgage Inc. voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Big Horn Mortgage Inc. 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; and that Big Horn Mortgage Inc. will fully comply with the terms and conditions stated herein.

Big Horn Mortgage Inc. further assures the Director that neither Big Horn Mortgage Inc. nor its officers, directors, employees or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with Chapter 59 of the Oregon Revised Statutes.

Big Horn Mortgage Inc. understands that this Consent Order is a public document.

Dated this 12 day of SEPT, 2005.

By [Signature]
Robert Entler

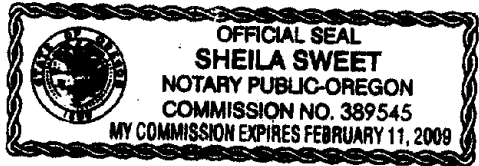
President, Big Horn Mortgage, Inc.
(Office Held)

CORPORATE ACKNOWLEDGMENT

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 There appeared before me this 12 day of SEPT, 2005, Robert Entler, who was
2 first duly sworn on oath, and stated that he was president of Big Horn Mortgage Inc. and
3 that he is authorized and empowered to sign this Consent to Entry of Order on behalf of
4 Big Horn Mortgage Inc., and to bind Big Horn Mortgage Inc. to the terms hereof.



SHEILA SWEET
(Individual)

SHEILA SWEET
(Printed Name of Notary Public)
Notary Public
for the State of: OREGON
My commission expires: 02/11/09

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

