

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

4 In the Matter of:

M-06-0031

5 Premier Mortgage Incorporated, fka
6 Paul Hwan Tae dba Premier
7 Mortgage,

ORDER TO CEASE AND DESIST
ORDER ASSESSING CIVIL PENALTIES

8 Respondent.

And
CONSENT TO ENTRY OF ORDER

9 WHEREAS the Director of the Department of Consumer and Business Services
10 for the State of Oregon (hereinafter "the Director") conducted an investigation of
11 Premier Mortgage Inc. and determined that Premier Mortgage Incorporated fka Paul
12 Hwan Tae dba Premier Mortgage engaged in activities constituting violations of ORS
13 59.840 through 59.965 (hereinafter cited as the Oregon Mortgage Lender Law); and

14 WHEREAS Premier Mortgage Incorporated fka Paul Hwan Tae dba Premier
15 Mortgage, wishes to resolve and settle this matter with the Director,

16 NOW THEREFORE, as evidenced by the authorized signature subscribed on
17 this order, Premier Mortgage Incorporated fka Paul Hwan Tae dba Premier Mortgage
18 hereby **CONSENTS** to entry of this order upon the Director's Findings of Fact and
19 Conclusions of Law as stated hereinafter:

20 **FINDINGS OF FACT**

21 The Director **FINDS** that:

22 1. Premier Mortgage Incorporated is an Oregon corporation formed on January 30,
23 2006. Paul Hwan Tae (hereinafter "Tae") registered in Oregon the assumed business
24 name Premier Mortgage from September 11, 2002 through January 30, 2006.

25 2. Tae first obtained a license to engage in Oregon residential mortgage loans on
26 October 1, 2004 using the business name Paul Hwan Tae dba Premier Mortgage and

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1 operating only from 14570 SW Farmington Road, Beaverton Oregon 97007. On July
2 27, 2005, the company received permission to move the business to 520 SW 205th
3 Avenue in Beaverton, Oregon 97006. In response to Tae's application to the change
4 the name on the license, the Director issued a license to engage in Oregon residential
5 mortgage lender to Premier Mortgage Incorporated on April 17, 2006. Paul Hwan Tae
6 is the sole owner of Premier Mortgage Incorporated.

7 3. At all relevant times, Premier Mortgage Incorporated fka Paul Hwan Tae dba
8 Premier Mortgage (hereinafter "Premier" or "Respondent") has been licensed to engage
9 in Oregon residential mortgage lending.

10 4. On or about November 16, 2004, Premier hired Kevin L. Brown to originate loans
11 for the company.

12 5. On or about August 18, 2005, Premier filed an application to renew its license
13 with the Director containing loan originator information for Kevin L. Brown. In response
14 to the question "Has a criminal-records check been conducted?" for Kevin L. Brown,
15 Premier answered "no," indicating that no criminal records check had been conducted.

16 6. On or about September 12, 2005, Premier filed a letter with the Director
17 requesting that the Director issue a letter indicating that it will not take action against
18 Premier should Premier continue to employ Kevin L. Brown as a loan originator.
19 Premier's letter was transmitted along with a copy of a background check that Premier
20 had requested from Advanced Reporting on September 6, 2005 for Kevin L. Brown
21 revealing that he had been convicted of Attempted Burglary 1, a class B felony and
22 Sexual Abuse 2, a class C felony, on September 21, 1998, Felon in Possession of a
23 Firearm, a class C felony, on December 31, 2000 and of Failure to Register as a Felony
24 Sex Offender, a class C felony, on February 23, 2004.

25 7. Between November 16, 2004 and September 1, 2005, Kevin L. Brown originated
26 seven Oregon residential mortgage loans for Premier.

1 8. On September 28, 2005, Premier terminated Kevin L. Brown due to a
2 disqualifying conviction in his criminal records check.

3 9. On March 6, 2006, Premier hired Elizabeth Benzinger to originate loans for the
4 company.

5 10. On May 10, 2006, Premier completed a criminal background check on Elizabeth
6 Benzinger.

7 **CONCLUSIONS OF LAW**

8 The Director **CONCLUDES** that:

9 1. Respondent violated OAR 441-880-0050(1) by failing to complete criminal
10 records checks on Kevin L. Brown and Elizabeth Benzinger prior to hiring them as a
11 loan originators.

12 2. Respondent violated OAR 441-880-0050(5) by failing to notify the Director that
13 the criminal records check for Kevin L. Brown disclosed a disqualifying conviction within
14 three days of obtaining the criminal records check for Kevin L. Brown.

15 3. OAR 441-880-0050(4)(a) provides that a felony, described as "crimes
16 punishable by death or imprisonment in excess of one year under the law under which
17 the person was convicted," is among the categories of criminal convictions that will
18 prevent a person from acting as a loan originator.

19 4. Respondent violated ORS 59.972(1) by employing Kevin L. Brown as a loan
20 originator when Kevin L. Brown had been convicted of a category of crime specified by
21 the director in OAR 441-880-0050(4).

22 **ORDER**

23 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Respondent will
24 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law,
25 OAR 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the
26 Division.

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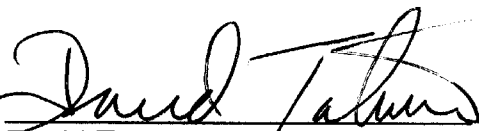
1 The Director, pursuant to ORS 59.996 hereby **ORDERS** Respondent to pay the
2 State of Oregon a civil penalty of \$15,000. The civil penalty is based upon \$5,000 for
3 the violation of OAR 441-880-0040(1), \$5,000 for the violation of ORS 441-880-0040(5)
4 and \$5,000 for the violation of ORS 59.972(1).

5 The Director suspends payment of \$10,000 of the assessed civil penalty for a
6 three-year period. If in the period between the date of the Order to three years from the
7 date of the Order, Respondent violates any provision of the Oregon Mortgage Lender
8 Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by
9 the Director or fails to obtain at least a satisfactory rating on all examinations performed
10 by the Director, the suspended portion of the assessed civil penalty will become
11 immediately due and payable. If Respondent does not violate the Oregon Mortgage
12 Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy
13 issued by the Director and obtains at least a satisfactory rating on all examinations
14 performed by the Director for three years from the date of the Order, the suspended
15 portion of the civil penalty is waived.

16 The date of this order is the day the Director or Director's nominee signs the
17 Order. The entry of this Order in no way limits further remedies which may be available
18 to the Director under Oregon law.

19 Dated this 1st day of August, 2006, at Salem, Oregon.

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

22 

23 David Tatman, Administrator
24 Division of Finance and Corporate Securities

25 **CORPORATE CONSENT TO ENTRY OF ORDER**

26 I, Paul Hwan Tae, state that I am an officer of Respondent, and I am authorized

1 to act on its behalf; that I have read the foregoing Order and that I know and fully
2 understand the contents hereof; that I and this entity have been advised of the right to a
3 hearing and of the right to be represented by counsel in this matter; that Respondent
4 voluntarily and without any force or duress, consents to the entry of this Order,
5 expressly waiving any right to a hearing in this matter; that Respondent understands
6 that the Director reserves the right to take further actions to enforce this Order or to take
7 appropriate action upon discovery of other violations of the Oregon Mortgage Lender
8 Law; and that Respondent will fully comply with the terms and conditions stated herein.

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

12 Respondent understands that this Consent Order is a public document.

13 Dated this 24 day of July, 2006.

14
15 By [Signature]
16 Paul Hwan Tae,
17 President
(Office Held)

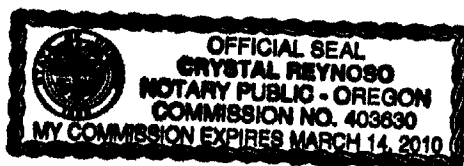
18 **CORPORATE ACKNOWLEDGMENT**

19 There appeared before me this 24 day of July, 2006, Paul Hwan
20 Tae, who was first duly sworn on oath, and stated that he was and is
21 the owner of Respondent and that he is authorized and empowered to sign this Consent
22 to Entry of Order on behalf of Respondent, and to bind Respondent to the terms hereof.

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Crystal Reynolds
Notary Public
for the State of: OR
My commission expires: 03-14-2010