STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
ENFORCEMENT SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of: **Meridian Mortgage Inc.,** **Respondent.**	**M-10-0030** **ORDER TO CEASE AND DESIST, ORDER ASSESSING EXAMINATION FEES AND CONSENT TO ENTRY OF ORDER**

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Meridian Mortgage Inc. and determined that Meridian Mortgage Inc. engaged in activities constituting violations of 86A.100 et seq, previously 59.840 et. seq, (hereinafter cited as the "Oregon Mortgage Lender Law"); and

WHEREAS Meridian Mortgage Inc. wishes to resolve and settle this matter with the Director,

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

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

FINDINGS OF FACT

The Director **FINDS** that:

1. Meridian Mortgage Inc. (hereinafter "Meridian") is an Oregon domestic business corporation first registered on December 10, 1999. Principal offices are located at 350 Mission Street Southeast, Suite 201, 97302 Salem, Oregon with a mailing address of PO Box 4578, Salem, Oregon 97302.

2. On February 3, 2000, Meridian first became licensed to engage in Oregon residential mortgage transactions.

3. The Director's records list Eric and Carol Hannibal as owners and loan originators for Meridian.

4. On August 27, 2009, an examiner employed by the Division of Finance and Corporate Securities (hereinafter "the Division") completed an on-site examination of the books and records of Meridian. Meridian received an outstanding score of 1 out of a possible 5, with 5 being the worst.

5. The fee for the examination owed by Meridian totaled $300.00.

6. On or about September 9, 2009, the Division sent a report detailing the examination findings (hereinafter "examination report") with a cover letter requiring a response within two weeks along with an invoice for the payment of the examination fees. No response was received.

7. On October 1, 2009, an office specialist from the Mortgage Lending section of the Division left a voice message for Eric Hannibal requesting a response to the examination report.

8. On October 14, 2009, another message was left for Eric Hannibal requesting a response to the examination report.

9. On October 28, 2009, the Division sent a letter to Meridian warning that the response to the examination report was due and gave the company until November 27, 2009 to file the response. That same day, the Division sent another letter to Meridian warning that if the company failed to pay the examination fees, that the matter would be sent to collections.

10. On December 2, 2009, the Division received payment for the examination fees but did not receive a response to the examination report.

11. As of June 10, 2010, Meridian had not filed a response to the September 9, 2009 examination report.

12. On June 14, 2010, an Order Suspending Mortgage Broker License and Order Assessing Examination Fees and Notice of Right to a Public Hearing was issued to Meridian.

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13. On June 21, 2010, Meridian filed a response to the examination report. Upon review, the Division determined that the response to the examination report was satisfactory.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

1. By failing to respond to the Division's examination report following numerous requests, Meridian violated ORS 86A.115(11), previously ORS 59.865(11), which constitutes grounds for the Director to suspend or revoke the Oregon mortgage broker license of Meridian.

2. The two hours of Division examiner and enforcement time spent preparing this case subjects Meridian to $75.00 an hour examination expenses under ORS 86A.124, previously ORS 59.880, and OAR 441-860-0110(2).

ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

The Director, pursuant to ORS 86A.127(4), previously ORS 59.885(4), hereby **ORDERS** that Meridian will **CEASE AND DESIST** from violating any provision of the Oregon Mortgage Lender Law, and any rules, or orders issued by the Division.

Pursuant to OAR 441-860-0110(2), Meridian must pay $150 in examination expenses ($75.00 x 2) for the two hours of Division time spent preparing this case.

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

Dated this 27th day of July 2010 at Salem, Oregon.

CORY STREISINGER, Director

Department of Consumer and Business Services

/s/ David Tatman

David C. Tatman, Administrator

Division of Finance and Corporate Securities

CORPORATE CONSENT TO ENTRY OF ORDER

I, Carol Hannibal, state that I am an officer of Respondent, 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 Respondent 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 Respondent understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discover of other violations of the Oregon Mortgage Lender Law; and that Respondent will fully comply with the terms and conditions stated herein.

Respondent further assures the Director that neither Respondent, nor its officers, directors, employees or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law.

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Respondent understands that this Consent Order is a public document.

Dated this 22nd day of July 2010

By /s/ Carol S. Hannibal
Secretary_____
(Office held)

ENTITY ACKNOWLEDGMENT

There appeared before me this 22nd day of July 2010 who was first duly sworn on oath, and stated that he was and is an officer of Respondent and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Respondent, and to bind Respondent to the terms hereof .

/s/ Kenneth Power_____

Notary Public for the State of Oregon

My commission expires: Nov. 8, 2013

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