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: **Forem Financial Inc., Benjamin Hinton, and Jason Skoyles** **Respondents.**	**M-10-0048** **ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, 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 Benjamin Hinton, Jason Skoyles, and Forem Financial Inc. (hereinafter collectively "Respondents") and determined that Respondents engaged in activities constituting violations of Chapter 86A.100 *et. seq.*, [formerly 59.840 *et. seq.*], of the Oregon Revised Statutes (hereinafter cited as "the Oregon Mortgage Lender Law"); and

WHEREAS, Respondents wish to resolve and settle this matter with the Director,

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

FINDINGS OF FACT

1. In January 2007, Benjamin Hinton registered Forem Financial Inc. with the California Secretary of State's Corporations Division, registration No. C2944482. Jason Skoyles was Benjamin Hinton's only business partner with Regard to Forem Financial Inc. Forem Financial

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Inc.'s registration with the California Secretary of State is suspended as of the date of this order.

2. At all times relevant herein, Respondents principle place of business was 18141 Beach Boulevard suite 190 Huntington Beach California 92648.

3. Respondents have never been registered as a mortgage bankers or mortgage brokers in the state of Oregon.

4. W.L. is 70 years old and at all times relevant herein has resided in Oakland Oregon.

5. In August 2009, Respondents entered into a contract with W.L. Respondents promised to modify W.L.'s home mortgage loan which was secured by real estate located in Oakland Oregon.

6. Pursuant to this contract, on August 5, 2009, W.L. paid Respondents $1,995 advance fees in exchange for Respondents' promise to renegotiate the terms of his home mortgage loan.

7. In September 2009, Respondents ceased doing business. As of the date of this order Respondents have not modified W.L.'s home mortgage loan.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

1. Respondents acted as Mortgage Brokers pursuant to ORS 86a.100(7)(a)(C) [formerly 59.840(7)(a)(C)] because they directly and/or indirectly offered to make or negotiate a mortgage loan for compensation and/or in expectation of compensation when they accepted $1,995 from an Oregon resident in exchange for the promise that they would renegotiate his home mortgage loan.

2. Respondents engaged in a residential mortgage transaction in this state, as defined by ORS 86A.103(2) [formerly 59.845(2)], when they contracted to renegotiate a home mortgage loan secured by real estate located in Oakland Oregon.

3. Respondents violated ORS 86A.103(1) [formerly 59.845(1)] because they engaged in a residential mortgage transaction in this state without first being licensed as either a mortgage banker or mortgage broker.

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ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

The Director, pursuant to her authority under ORS 86A.115 [formerly ORS 59.865], ORS 86A.127 [formerly ORS 59.885], and ORS 86A.118 [formerly ORS 59.870], hereby **ORDERS** that Respondent shall **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order or policy issues by the Division; **AND**

The Director, pursuant to ORS 86A.992 [formerly ORS 59.996] and ORS 86A.118 [formerly ORS 59.870] hereby **ORDERS** Respondent to pay the State of Oregon a civil penalty of **$5,000** for the violation of ORS 86A.103(1) [formerly ORS 59.845(1)]. This civil penalty is joint and several among Respondents. The Director suspends payment of $4,500 of the assessed civil penalty for sixty days from the date of this Order and waives that amount in its entirety thereafter if Respondents provide $1,995 in restitution to W.L. within 60 days from the date of this Order. The remaining $500 civil penalty shall be paid within 90 days from the date of this order. A failure to make either payment shall result in the imposition of the full $5,000 civil penalty (less any payments made) without any further order of the Director.

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

Dated this 3rd day of November, 2010, at Salem, Oregon.

CORY STREISINGER, Director
Department of Consumer and Business Services

/s/ David Tatman
David Tatman, Administrator
Division of Finance and Corporate Securities

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CORPORATE CONSENT TO ENTRY OF ORDER

I, Benjamin Hinton, state that I am an officer of Forem Financial 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 Forem Financial Inc. has been advised of the right to a hearing and of the right to be represented by counsel in this matter and desires to resolve and settle this matter with the Director; that Forem Financial 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 Forem Financial 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 Forem Financial Inc. will fully comply with the terms and conditions stated herein.

Forem Financial Inc., further assures the Director that neither Forem Financial Inc., 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.

Forem Financial Inc. understands that this Consent Order is a public document.

Dated this 1 day of October 2010

By: /s/ Benjamin Hinton
Benjamin Hinton

Office Held

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CORPORATE ACKNOWLEDGMENT

There appeared before me this 1 day of October 2010 who was first duly sworn on oath, and stated that he was and is an officer of Forem Financial Inc. and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Forem Financial Inc., and to bind Forem Financial Inc. to the terms hereof.

/s/ MaryEllen S Torre
Signature of Notary

MaryEllen S. Torre
Printed Name of Notary Public

Notary Public for the State of: California

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CONSENT TO ENTRY OF ORDER

I, Benjamin Hinton, state that I am a resident of the State of California, that I have read the foregoing 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 my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions against me to enforce this 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 further assure the Director that I will not effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law.

I understand that this Consent Order is a public document.

Dated this 1 day of October, 2010.

/s Benjamin Hinton
Benjamin Hinton

SUBSCRIBED AND SWORN to before me this 1 day of October, 2010.

/s/ MaryEllen S Torre
(Printed Name of Notary Public)
Notary Public
for the State of: California

My commission expires: 12/9/11

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CONSENT TO ENTRY OF ORDER

I, Jason Skoyles, state that I am a resident of the State of California, that I have read the foregoing 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 my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions against me to enforce this 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 further assure the Director that I will not effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law.

I understand that this Consent Order is a public document.

Dated this 4 day of Oct, 2010.

/s/ Jason Skoyles
Jason Skoyles

SUBSCRIBED AND SWORN to before me this 4 day of October, 2010.

Carolyn R Young
(Printed Name of Notary Public)
Notary Public
for the State of: New York

My commission expires: 3/8/2011

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