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**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES  
MORTGAGE LENDING SECTION**

**BEFORE THE DIRECTOR OF THE DEPARTMENT  
OF CONSUMER AND BUSINESS SERVICES**

**In the Matter of:**

**Set2Go Loans, Inc.  
NMLS# 3159**

**M-12-0026  
FINAL ORDER TO CEASE AND DESIST  
AND  
ORDER ASSESSING CIVIL PENALTIES  
ENTERED BY DEFAULT**

Respondent.

On March 29, 2012, the Director of the Department of Consumer and Business Services for the State of Oregon (hereafter the “Director”), acting by and pursuant to the authority contained in Oregon Revised Statutes (“ORS”) ORS 86A.100 et seq., previously ORS 59.840 et seq., and Oregon Administrative Rules 441-850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Law”), issued Administrative Order No. M-12-0026 Order to Cease and Desist, Proposed Order Assessing Civil Penalties, and Notice of Right to a Hearing (hereinafter “the Order”) against Set2Go Loans, Inc.

On March 30, 2012, Set2Go Loans, Inc. was duly served with true copies of the Order by regular, first-class mail and by certified mail, postage prepaid, and addressed to the following address: Set2Go Loans, Inc., 2082 SE Bristol St# 218, Newport Beach California 92660 and by first-class mail to the same address with attention to Mary Clark (registered agent). A green card evidencing receipt of the order sent by certified mail was signed and returned on April 2, 2012. Set2Go Loans, Inc. has not made a written request for a contested case hearing in this matter, and the time to do so has expired.

**NOW THEREFORE**, the Director hereby issues the following Findings of Fact, Conclusions of Law, and Final Order:

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. Set2Go Loans, Inc. (hereinafter “Set2Go”) is a California corporation with a principal place of business located at 2082 SE Bristol St #218, Newport Beach, California 92660.
2. Set2Go was previously registered with the Oregon Secretary of State’s office to do business in Oregon but is currently inactive.
3. Set2Go received an Oregon mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter “Division”) on April 14, 2006, NMLS# 3159.
4. Set2Go’s license was cancelled for failure to renew on January 1, 2011 and was renewed on March 8, 2011. Set2Go has been continuously licensed since then.
5. The Division’s records list James Ipek (hereinafter “Ipek”) as the one hundred percent owner of Set2Go.
6. Ipek has never been registered or licensed as an Oregon mortgage loan originator with the Division.

### **I. Mortgage Call Report**

7. In 2011, the Nationwide Mortgage Licensing System (hereinafter “NMLS”) released the mortgage call report (hereinafter “MCR”) functionality. The MCR includes a licensed mortgage broker’s Residential Mortgage Loan Activity (hereinafter “RMLA”) that is compiled and submitted by the company to NMLS on a quarterly basis.
8. The quarterly reports are due 45 days following the end of each quarter, such that the fourth quarter (hereinafter “Q4”) of the 2011 MCR was due February 14, 2012.
9. Set2Go employed at least one licensed loan originator during the Q4 of 2011.
10. The NMLS online Resource Center operates a webpage providing information about the MCR to advise companies on the data they need to collect and provide as well as the due dates of the quarterly MCRs. The webpage provides that “Q4 data (October 1-December 31) is due February 14.”



1 11. The Division undertook an extensive compliance campaign to notify all companies of the  
2 new quarterly MCR reporting requirement throughout 2011. In 2012, the Division has continued  
3 with routine communication about this recurring requirement.

4 12. At the beginning of August 2011, NMLS released a new report that regulators could use  
5 to determine if a licensee in that state had filed a MCR. The Division began using this report to  
6 provide targeted notification for those companies that were not in compliance.

7 13. Since Set2Go had not filed a Q4 MCR, on February 3, 2012 the Division sent an e-mail  
8 to Set2Go notifying them of the Q4 requirements and the upcoming February 14, 2012 deadline.

9 14. The email was sent to pm1@set2goloans.com which has been the e-mail address of  
10 record in NMLS for Set2Go at all times relevant to this order.

11 15. Since Set2Go had still not filed the Q4 MCR, on February 15, 2012 the Division sent  
12 another e-mail to Set2Go notifying that the Q4 MCR with Oregon RMLA was past due. The  
13 email warned that if Set2Go failed to file the Q4 MCR by March 15, 2012, the matter would be  
14 referred for enforcement action to impose a civil penalty.

15 16. Also on February 15, 2012, the Division sent Set2Go a letter to the address of record  
16 in NMLS notifying them that if the Q4 MCR was not filed by March 15, 2012, the matter would  
17 be referred for enforcement action.

18 17. As of the date of this order, Set2Go has not filed the Q4 MCR.

## 19 II. Inquiry

20 18. In February 2010, the Division received an inquiry from United Guaranty Residential  
21 Insurance Company (hereinafter "United Guaranty") about a residential mortgage loan that  
22 Set2Go originated for an Oregon resident (hereinafter "Oregon Borrower") in 2007.

23 19. Oregon Borrower received a refinance loan on her Oregon residential property from  
24 Set2Go in April 2007. Ipek's name was signed in the space reserved for the loan originator on  
25 all of Oregon Borrower's loan applications for this transaction.

26 20. In an interview for United Guaranty's investigation, Oregon Borrower reported that she



1 provided accurate income information to loan originator Ipek for her loan transaction.

2 21. The Division requested a list of all Oregon loans originated by Ipek as he has never been  
3 authorized to originate Oregon loans. After several requests for this information, Ipek responded  
4 in writing stating that “because business in 2007 was so over whelming [sic] I authorized  
5 processors to use a signature stamp bearing my name. It seems that one of our ex-employee [sic]  
6 [name omitted] who was the processor on [Oregon Borrower’s] file made an isolated error with  
7 my signature stamp.”

8 22. Ipek did not provide a name for the loan originator of Oregon Borrower’s transaction.

9 23. The State of Michigan Department of Energy, Labor and Economic Growth Office of  
10 Financial and Insurance Regulation (hereinafter “OFIR”) entered a Final Order to Revoke First  
11 Mortgage Broker and Lender License (hereinafter “Revocation Order”) against Set2Go on July  
12 2, 2010.

13 24. The Revocation Order was entered, based in part, on Set2Go’s failure to provide  
14 information in response to a request from OFIR regarding a complaint filed against Set2Go with  
15 OFIR.

## 16 CONCLUSIONS OF LAW

17 The Director **CONCLUDES** that:

- 18 1. By failing to file the Q4 MCR including RMLA for Oregon in NMLS by March 15,  
19 after being notified to do so numerous times, Set2Go violated ORS 86A.239(2).
- 20 2. By allowing a loan processor to place the signature of a loan originator on a loan  
21 application in the space reserved for the loan originator, Set2Go failed to supervise diligently and  
22 control the mortgage-related activities of those employed by the licensee in violation of ORS  
23 59.865(15), currently ORS 86A.115(16).
- 24 3. Ipek acted as a “loan originator” under ORS 59.840(4), currently ORS 86A.200(4), for  
25 Oregon Borrower’s transaction by taking a loan application for a residential mortgage loan and  
26 by accepting Oregon Borrower’s income information for the transaction. Set2Go violated ORS



1 59.969(1) by failing to notify the Division that Ipek was acting as a loan originator for Set2Go.

2 **ORDER**

3 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

4 The Director, pursuant to ORS 86A.127, hereby orders Set2Go to Cease and Desist from  
5 violating the Oregon Mortgage Lender Law.

6 The Director, pursuant to ORS 86A.992, previously ORS 59.996, may assess civil  
7 penalties of up to \$5,000 per violation against individuals who violate the Oregon Mortgage  
8 Lender Law. Pursuant to these provisions, the Director hereby orders Set2Go to pay a civil  
9 penalty of \$10,000. Of that civil penalty, \$5,000 is assessed for the violation of 86A.239(2)  
10 (failure to file Q4 MCR), \$2,500 is assessed for the violation of ORS 59.865(15), currently ORS  
11 86A.115(16), (failure to supervise) and \$2,500 for the violation of ORS 59.969, (failure to  
12 register a loan originator).

13 The entry of this Order in no way limits further remedies which may be available to the  
14 Director under Oregon law, including for the violations noted in the Conclusions of Law section  
15 above.

16 Dated this 27<sup>th</sup> day of April, 2012 at Salem, Oregon.

17 Nunc Pro Tunc March 29, 2012.

18 PATRICK M. ALLEN, Director  
19 Department of Consumer and Business Services

20 /s/ David Tatman

21 David C. Tatman, Administrator  
22 Division of Finance and Corporate Securities

23 NOTICE: You are entitled to judicial review of this Order. Judicial review may be  
24 obtained by filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the  
25 service of this Order. Judicial review is pursuant to the provisions of ORS 183.482 to the Oregon  
26 Court of Appeals.