STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES

In the Matter of: **Omni-Fund, Inc., NMLS No. 4869** **Respondent.**	**M-14-0038** **Order to Cease and Desist, Order Assessing Civil Penalties Consent to Entry of Order**

The Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Omni-Fund, Inc. (Omni) and determined that Omni engaged in activities constituting a violation of 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the "Oregon Mortgage Lender Law") and Omni wishes to resolve and settle this matter with the Director.

As evidenced by the authorized signature subscribed on this order, Omni consents to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

FINDINGS OF FACTS

The Director finds that:

1. Omni is a foreign corporation first incorporated in California on March 19, 2004 and was first registered with Oregon Secretary of State to do business in Oregon on November 9, 2006.

2. Omni first obtained an Oregon mortgage broker license from the Division of Finance and Corporate Securities (Division) on December 7, 2006, ML No. 4366.

3. At all times material to this Order, Omni reported a principal place of business as 26395 Jefferson Avenue, Suite E, Murrieta, California 92562

4. At all times material to this order, Omni's Nationwide Mortgage Licensing System & Registry (NMLS) No. was 4869.

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5. On June 19, 2013, the Division conducted a desk exam of Omni that resulted in a rating of 5. The rating scale ranges from a score of 1 that is excellent down to a score of 5 that is poor.

6. The exam revealed among other things, that Omni did not have a written supervision plan in place and that the company was operating an unlicensed branch at 4540 Campus Drive, Newport Beach, California.

7. Omni provided a response stating that it had licensed the location in question, that the company had called its attorney to update the supervision plan and that the company was "hardcoding this into the point server."

8. The Division advised Omni that because they had received a sub-satisfactory score, a six month exam would be scheduled. The Division advised the company that if the above items were not corrected, the company could be subject to civil penalties or licensing action.

9. A second exam was conducted on February 26, 2014, and Omni received a score of 4 which is marginal.

10. The exam revealed repeat violations including that the company had not licensed the branch located at 4540 Campus Drive, Newport Beach, California.

11. On March 13, 2014, Omni filed a response to the exam. Omni stated among other things, that they thought they had licensed the Newport Beach branch after the first exam, but upon review discovered that they had "missed a button."

12. Although the company filed an amendment on June 16, 2013, adding Oregon to the list of states where the company conducted its activities, Omni did not submit a request to have the Newport Beach location licensed until January 21, 2014.

13. Prior to January 21, 2014, the company was not authorized to conduct Oregon residential mortgage transactions from the Newport Beach, California location. However, the company originated loans for Oregon residential mortgage transactions for; WM and KM, LA, RT and MT, and RD and LD prior to the branch being licensed.

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CONCLUSIONS OF LAW

The Director concludes that:

1. By originating loans for residential property located in Oregon without first obtaining a license to do so, Omni violated OAR 441-860-0030(1).

ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

1. The Director, pursuant to ORS 86A.127, hereby orders Omni to Cease and Desist from violating Oregon's Mortgage Lender Law.

2. The Director, pursuant to ORS 86A.992, may assess a civil penalty in an amount not to exceed $5,000 per violation against any person who violates or who procures, aids or abets in the violation of any provision of ORS 86A.095 to 86A.198 or any rule or order issued under ORS 86A.124 or 86A.242.

3. The Director, pursuant to ORS 86A.992(2), hereby to orders Omni, to pay a civil penalty of $5,000, for one violation of OAR 441-860-0030(1).

4. However, the Division will suspend $2,500 of the civil penalty so long as Omni does not violate any provision of the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by the Division. If Omni is found to have committed any such violation, then the suspended portion of the assessed civil penalty will become immediately due and payable. If Omni does not violate the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued

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by the Division in three years from the date of the Order, the suspended portion of the civil penalty is waived.

Dated this 28th day of October, 2015 at Salem, Oregon.

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

/S/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

ENTITY CONSENT TO ENTRY OF ORDER

I, /s/ Jitendera Kumar Kandola, state that I am an officer of Omni and that I am authorized to act on its behalf. I have read the foregoing order and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Omni voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. Omni 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. Omni will fully comply with the terms and conditions stated herein.

Omni further assures the Director that neither Omni, 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. Omni understands that this consent order is a public document.

Dated this 20th day of Oct. 2015 at 26395 Jefferson Ave. #E, California.

By /S/ Jitendera Kumar Kandola,

Pres.
Title

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ENTITY ACKNOWLEDGMENT

State of California)
)ss.
County of Riverside)

There appeared before me this 20th day of October, 2015, Jitendera Kumar Kandola, who was first duly sworn on oath, and stated that (s)he was and is an officer of Omni and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of Omni and to bind Omni to the terms hereof.

/S/ Michelle Greenway
Notary Public for the State of: California
My commission expires: 3/10/2016

A California Notary Statement is attached to this document.

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