STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINACIAL REGULATION

In the Matter of: **Colt Mortgage Incorporated,** **NMLS No. 288954,** **Respondent.**	**M-16-0299** **Order to Cease and Desist and Consent to Entry of Order**

The Director of the Department of Consumer and Business Services for the State of Oregon (the Director), acting pursuant to the authority contained in Oregon Revised Statutes (ORS) 86A.100 et seq. and Oregon Administrative Rules (OAR) 441-850-0005 through 441-885-0010 (collectively cited as "the Oregon Mortgage Lender Law") conducted an investigation into the activities of Colt Mortgage Incorporated (Colt) and determined that Colt engaged in activities constituting a violation of the Oregon Mortgage Lender Law more specifically set out below. Colt now wishes to resolve this matter with the Director.

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

FINDINGS OF FACT

The Director finds that:

1. Colt as been continuously licensed with the Division of Financial Regulation (formerly the Division of Finance and Corporate Securities) since January 1, 1994.

2. Colt was issued Oregon Mortgage license no. ML-28. The National Mortgage Licensing System (NMLS) assigned Colt NMLS No. 288954.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

3. Colt's business address is 572 SE Jackson Street, Roseburg, OR 97470.

4. Mortgage lender licensees have been required to file yearly financial statements since the inceptions of licensing. When Oregon mortgage licensing transitioned onto the NMLs, Oregon started following the NMLS requirement that the company file its financial statements within 90 days of the end of the company's fiscal year. ORS 86A.112(2) and OAR 441-865-0020(5).

5. NMLS provides a statement to the licensees regarding the specific financial statement requirements for Oregon.

6. Colt reported in NMLS that its fiscal year ends on December 31. As a result, Colts financial statements were required to be uploaded to NMLS no later than March 30, 2016.

7. When Colt did not timely upload the documents, NMLS set a system-generated deficiency on March 31, 2016, notifying the company of the requirement.

8. During the relevant time period, the company's email address of record has remained coltfinancial@yahoo.com and the company's mailing address has remained 572 SE Jackson Street, Roseburg, OR 97470.

9. On April 18, 2016, when the company still had not filed its financial statements, the Division sent an email to the company at its email address listed above and set a deadline of May 18, 2016, for Colt to respond and advising the company that the matter would be referred to the Enforcement section if a response was not timely received.

10. On April 18, 2016, the Division also sent a letter to the company's address of record setting a May 18, 2016, for the company to respond and advising the company if they did not timely respond, the matter would sent to the Enforcement section.

11. Colt did not file the required financial statements until the Division sent another reminder on July 19, 2016, giving Colt an additional 10 days to correct the filing or face suspension of their license.

12. In prior years, the company had timely filed the required financial statements.

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CONCLUSIONS OF LAW

The Director concludes that:

1. Colt violated ORS 86A.112(2) and OAR 441-865-0020(5) by failing to file the 2015 financial statements in NMLS by March 30, 2016.

ORDERS

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

1. The Director, pursuant to ORS 86A.127, hereby orders Colt to cease and desist from violating Oregon's Mortgage Lender Law.

2. The Director, pursuant to ORS 86A.992(3) may assess civil penalties of up to $5,000 per violation for each separate instance of violation, up to a maximum of $20,000 for a continuing violation.

3. The Director, pursuant to ORS 86A.992(2), hereby orders Colt to pay a civil penalty of $5,000 for violating ORS 86A.112(2) and OAR 441-865-0020(5).

4. However, the Division will suspend $4,000 of the total civil penalty of $5,000 as long as Colt 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 Colt is found to have committed any such violation, then the suspended portion of the assessed civil penalty will become immediately due and payable. If Colt does not violate the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by the Division in three years from the date of the Final Order, the suspended portion of the civil penalty is waived.

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5. Colt shall submit to the Director payment of $1,000 at the time the Consent Order is submitted to the Director.

Dated this 1st day of September, 2016 at Salem, Oregon.

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

/S/ David Tatman
David C. Tatman, Chief Enforcement Officer
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Richard R. Filley state that I am an officer of Colt Mortgage Incorporated and I am authorized to act on its behalf. I have read the foregoing order and I know 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. Colt voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. Colt 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. Colt will fully comply with the terms and conditions stated herein.

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

By /S/ Richard R. Filley President
Title

ACKNOWLEDGMENT

State of Oregon)
)ss.
County of Douglas)

This instrument was acknowledged before me on, August 23, 2016 by /s/Richard Filley.

/S/ Brenda L. Humphries
Notary Public

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