

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

Before the Commissioner of the Division of Mortgage Lending

In the Matter of:
ADVANTAGE MORTGAGE,
Mortgage Broker License No. 2518,
and
SCOTT KRELLE, President & Sole Shareholder,
Mortgage Agent License No. 48262,
Respondent.

Order No.: ~~2013-~~ 2014-3

CONSENT ORDER
REQUIRING COMPLIANCE
AND
ASSESSING AN ADMINISTRATIVE FINE

Issued and Entered,
This 21st day of January, 2014,
By James Westrin,
Commissioner

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") having been statutorily charged with the responsibility and authority to administer and enforce Chapter 645B of the Nevada Revised Statutes, NRS 645B.010 et seq., and Chapter 645B of the Nevada Administrative Code, NAC 645B.001 et seq., (collectively, the "Act") governing the licensing and conduct of mortgage broker and mortgage agents in the State of Nevada; and,

The Commissioner having been granted general supervisory power and control and administrative enforcement authority over all mortgage brokers and mortgage agents doing business in the State of Nevada pursuant to the Act; and,

1 ADVANTAGE MORTGAGE (the "Respondent") having made application for and been granted
2 a license as a mortgage broker (License No. 2518) pursuant to provisions of the Act on April 24, 2006,
3 and having been licensed as a mortgage broker at all times pertinent to this matter; and,

4 Commencing on or about January 2, 2013 and concluding on or about April 30, 2013, Division
5 of Mortgage Lending Staff having conducted an examination of the Respondent's books and records
6 pursuant to NRS 645B.060(2)(d)-(e); and,

7 On or about April 30, 2013, the Division having issued and served on Respondent 1) a Final
8 Report of Examination ("Report") and 2) a Notice of Opportunity to Show Compliance ("NOSC"),
9 pursuant to provisions of the Nevada Administrative Procedures Act ("NAPA"), NRS 233B.010 *et seq.*,
10 and the Act; and,

11 The Report and NOSC having contained findings that Respondent violated the Act and set forth
12 the applicable laws and penalties which could be imposed on Respondent and provided notice to
13 Respondent that Respondent was entitled to an informal opportunity to show compliance with any
14 provision of law alleged to have been violated; and,

15 The Division and Respondent having held an NOSC conference on July 9, 2013, and determined
16 that the following violations were established:

17 1. Respondent failed to submit an accurate monthly activity report for the month of
18 September 2012, in violation of NRS 645B.080(2).

19 2. Respondent failed to fully cooperate with the examination by refusing or failing to timely
20 provide payroll records to the examiner in connection with the conduct of the examination, in violation
21 of NRS 645B.670(2)(i).

22 3. Respondent failed to timely respond to the draft report of examination, in violation of
23 NRS 645B.670(2)(i); and,

24 The Division and Respondent having conferred for purposes of resolving this matter and
25 determined to resolve this matter pursuant to the following terms:

26 1. Respondent agrees to fully comply with all provisions of the Act and to CEASE and
27 DESIST from any and all violations of the Act as set forth above and to henceforth 1) timely file
28 accurate monthly activity reports in accordance with the requirements of NRS 645B.080(2), 2) fully

1 cooperate with any examination of the Commissioner and 3) timely and accurately provide any
2 information or report required by the Commissioner in accordance with the requirements of NRS
3 645B.670(2)(i).

4 2. Respondent agrees to develop and implement a "Safeguards Policy" as required by the
5 Federal Trade Commission's Standards for Safeguarding Customer Information Rule, 16 C.F.R. 314,
6 and submit a copy of the policy to the Division within 30 days of the entry of this Order.

7 3. Respondent agrees to pay to the Division an ADMINISTRATIVE FINE in the amount of
8 \$2,500.00. It is agreed that the collection of the administrative fine will be deferred for a period of 12
9 months from the date of entry of this CONSENT ORDER REQUIRING COMPLIANCE AND
10 ASSESSING AN ADMINISTRATIVE FINE (the "Order") or until the Division completes a follow-up
11 examination of the Respondent, whichever occurs later (the "deference period"). If during the
12 deference period Respondent fails to comply with this Order, the administrative fine will be
13 immediately due and payable. If, however, Respondent fully complies with this Order, the
14 administrative fine will be deemed rescinded.

15 Respondent, through its president and sole shareholder, Scott Krelle, having knowingly and
16 voluntarily affixed his signature to the attached VOLUNTARY CONSENT TO ENTRY OF
17 COMMISSIONER'S ORDER, incorporated herein by this reference, has consented to the issuance of
18 this Order with the intent to be legally bound hereby, and has waived and relinquished any and all rights
19 that Respondent may now or hereafter have to an administrative hearing in this matter or to judicial
20 review of, or otherwise challenge or contest, the entry of this Order; and,

21 Respondent having had opportunity to consult with legal counsel of its choosing concerning this
22 matter; and,

23 The Commissioner having made the following FINDINGS and CONCLUSIONS:

24 1. The Commissioner has jurisdiction and authority to issue this Order in this matter,
25 pursuant to the Nevada Administrative Procedures Act ("NAPA"), NRS 233B.010 *et seq.*, and the
26 Mortgage Brokers and Mortgage Agents Act, NRS 645B.010 *et seq.*

27 2. All required notices have been issued in this matter, and the notices and service thereof
28 were appropriate and lawful in all respects.

1 3. The terms of this Order are a reasonable resolution of this matter and in the public
2 interest.

3 4. All applicable provisions of NAPA and NRS 622 have been met.

4 5. Respondent violated NRS 645B.080(2) and NRS 645B.670(2)(i).

5 NOW, THEREFORE, IT IS HEREBY ORDERED that:

6 1. Respondent shall fully comply with all provisions of the Act and CEASE and DESIST
7 from any and all violations of NRS 645B.080(2) and NRS 645B.670(2)(i).

8 2. Respondent shall develop and implement a "Safeguards Policy" as required by the
9 Federal Trade Commission's Standards for Safeguarding Customer Information Rule, 16 C.F.R. 314,
10 and submit a copy of the policy to the Division within 30 days of the entry of this Order.

11 3. An ADMINISTRATIVE FINE in the amount of \$2,500.00 shall be and hereby assessed
12 on Respondent. The collection of the administrative fine shall be deferred for a period of 12 months
13 from the date of entry of this Order or until the Division completes a follow-up examination of the
14 Respondent, whichever occurs later (the "deference period"). If during the deference period
15 Respondent fails to comply with this Order, the administrative fine shall be immediately due and
16 payable. If, however, Respondent fully complies with this Order, the administrative fine shall be
17 deemed rescinded.

18 4. This Order shall be and is effective and enforceable on the date that it is issued, as shown
19 in the caption hereof.

20 5. This Order shall remain effective and enforceable until terminated, modified, set aside or
21 suspended in writing by the Commissioner.

22 6. The Commissioner specifically retains jurisdiction of the matters contained herein and
23 has the authority to issue such further order(s) as he shall deem just, necessary, and appropriate to
24 enforce the Act and protect the public.

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IT IS SO ORDERED.

DIVISION OF MORTGAGE LENDING

By 
JAMES WESTRIN, COMMISSIONER