

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

* * *

In re:
Paul Arroyo

Respondent.

**FOR SETTLEMENT PURPOSES
ONLY**

STIPULATED SETTLEMENT AGREEMENT

The licensing and regulation of mortgage agents in the State of Nevada is governed by Chapter 645B of the Nevada Revised Statutes (hereinafter, "NRS") and Chapter 645B of the Nevada Administrative Code. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the "Division") has the general duty to exercise supervision and control over mortgage brokers and mortgage agent activity. See, NRS 645B.060 (1), NRS 645B.690 (1)(a) and NRS 645B.670. Pursuant to that authority, as well as NRS 645B.610(6), the Division hereby enters into the following Stipulated Settlement Agreement ("Agreement") with Paul Arroyo (hereinafter "Respondent"), as follows:

RECITALS

A. Respondent was issued a mortgage agent license by the Division, pursuant to Chapter 645B of the Nevada Revised Statutes, on May 24, 2004.

B. On August 17, 2006, the Division received a written complaint where it was alleged that Respondent had originated approximately ten (10) loans with Prime Cap Financial, while licensed with First Source Financial.

C. The Division conducted an investigation and Respondent admitted to originating ten (10) loans with Prime Cap Financial while only being licensed through First Source Financial.

///

1 **AGREEMENT**

2 NOW, THEREFORE, in consideration of the representations, covenants and
3 conditions set forth herein, the parties stipulate and agree that the violations of NRS
4 645B.450 (1) referenced above for associating with more than one mortgage broker at the
5 same time shall be settled on the following terms and conditions:

6 1. Respondent agrees to pay to the Division the amount of FIVE HUNDRED
7 DOLLARS (\$500.00) for investigatory costs, within 30 days from the date of this Agreement.

8 2. Respondent further agrees to not apply for a mortgage agent or mortgage
9 broker license for a total of five (5) years from the date of his original suspension in May 2007.
10 The Division acknowledges the Respondent has been suspended for the previous two (2)
11 years and agrees that Respondent may re-apply for a mortgage agent or mortgage broker
12 license in May 2012. In the event that Respondent violates any of the provisions of the
13 Agreement, the Division shall retain any and all remedies available to it in accordance with
14 NRS Chapter 645B.

15 3. The parties agree and acknowledge that this Agreement shall constitute the
16 complete and final resolution of any issues arising out of the Division's investigation into
17 Respondent's conduct as specified herein.

18 4. The parties represent and warrant that the person executing the Agreement on
19 behalf of each party has full power and authority to do so, and has the legal capacity to
20 conduct the legal obligations assigned to it hereunder.

21 5. Respondent further acknowledges and agrees that the Division shall retain the
22 original of the Agreement.

23 6. This Agreement may be signed in counterparts and a facsimile signature shall
24 be deemed as valid as an original, however, Respondent shall immediately forward all original
signature pages to the Division.

25 7. The Agreement, as well as the rights and obligations of the parties hereto, shall
26 be interpreted, governed, and construed pursuant to the laws of the State of Nevada.

27 ///

28 ///

1 8. Any action to enforce the Agreement shall be brought in the Eighth Judicial
2 District Court of the State of Nevada in and for Clark County.

3 9. If the Division is successful in any action to enforce this Agreement, the court
4 may award it attorney's fees. It is specifically agreed that reasonable attorney's fees for the
5 State-employed attorneys shall be \$125 per hour.

6 10. Failure to declare a breach or the actual waiver of any particular breach of the
7 Agreement or its material terms, by either party, shall not operate as a waiver by such party of
8 any of its rights or remedies as to any other breach.

9 11. If any provision contained in the Agreement is held to be unenforceable by a
10 court of law or equity, the Agreement shall be construed as if such a provision(s) did not exist
11 and the unenforceability of such provision(s) shall not be held to render any other provision(s)
12 of the Agreement unenforceable.

13 12. The Agreement constitutes the entire agreement of the parties, and it is
14 intended as a complete and exclusive statement of the promises, representations,
15 negotiations, and discussions of the parties. Unless otherwise expressly authorized by its
16 terms, the Agreement shall be binding upon the parties unless the same is amended in
17 writing, signed by the respective parties hereto, and approved by the Office of the Attorney
18 General.

19 13. In consideration for the execution of this Agreement, Respondent, for himself,
20 his heirs, executors, administrators, successors and assigns, hereby releases and forever
21 discharges the State of Nevada, the Division, the Nevada Attorney General, and each of their
22 members, agents and employees in their individual and representative capacities, from any
23 and all manner of actions, causes of action, suits, debts, judgments, executions, claims and
24 demands whatsoever known or unknown, in law and equity, that Respondent ever had, now
25 has, may have or claim to have against any and all of the persons or entities named in this
26 paragraph arising out of, or by reason of, the investigation of the allegations in the complaint
27 referenced above, this action or any other matter relating thereto.

28 14. In consideration for the execution of this Agreement, Respondent hereby
indemnifies and holds harmless the State of Nevada, the Division, the Nevada Attorney

1 General, and each of their members, agents and employees in their individual and
2 representative capacities, against any and all claims, suits and actions, brought against any of
3 the persons named in this paragraph by reason of the investigation of the allegations in the
4 complaint referenced above, this action and all other matters relating thereto, and against any
5 and all expenses, damages, charges and costs, including court costs and attorneys fees,
6 which may be sustained by any of the persons and entities named in this paragraph as a
7 result of said claims, suits and actions.

8 15. Respondent enters into this Agreement freely and voluntarily. Respondent
9 acknowledges that this Agreement is not the product of force, threats, or any other form of
10 coercion or duress, but is the product of discussions between Respondent, counsel for
11 Respondent, the Division and the attorney for the Division.

12 16. Respondent and the Division acknowledge that this Agreement is made to avoid
13 litigation and economize resources. The parties agree and understand this Agreement is
14 intended to operate as full and final settlement of the above referenced complaint filed
15 against Respondent.

16 17. This Agreement shall become effective immediately and this matter deemed
17 concluded, upon its execution by the parties and the payment of the sum for investigative
18 costs and expenses referenced in paragraph 1 above.

19 DATED this 26 day of May, 2009.

20 By: _____

PAUL ARROYO

21 DATED this 29th day of ~~May~~ ^{June}, 2009.

22
23 STATE OF NEVADA
24 DEPARTMENT OF BUSINESS AND INDUSTRY
25 DIVISION OF MORTGAGE LENDING

26 By: _____

JOSEPH L. WALTUCH, COMMISSIONER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

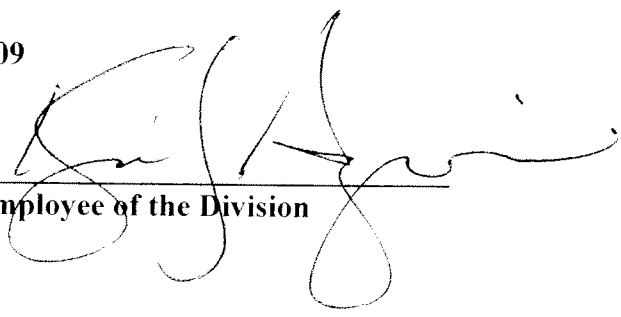
CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on June 30, 2009, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing. STIPULATED SETTLEMENT AGREEMENT for PAUL ARROYO, addressed as follows:

Paul Arroyo
287 Fairplay Street
Henderson, NV 89052

Certified Receipt Number: 7006 2760 0000 0875 8967

DATED this 29th day of June, 2009

By: 
Employee of the Division