

1 STATE OF NEVADA
2 DEPARTMENT OF BUSINESS AND INDUSTRY
3 DIVISION OF MORTGAGE LENDING

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5 In re:
6 Direct Mortgage Corporation of Nevada,
7 Respondent.
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10 FINAL ORDER

11 The State of Nevada, Department of Business and Industry, Division of Mortgage
12 Lending (hereinafter, the "Division"), having served the Respondent, Direct Mortgage
13 Corporation of Nevada, (hereinafter, "Respondent") on September 14, 2010, with its Notice of
14 Intent to Impose Fine and Notice of Right to Request Hearing, attached hereto as Exhibit "1"
15 and incorporated herein by reference, which notified Respondent that a final order would
16 issue in this matter unless, within twenty (20) days of entry and receipt of said Order,
17 Respondent requested a hearing to contest the charges against it, with said request to be
18 made in writing, and;
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20 Said Order having been sent to Respondent via certified mail and regular mail, and
21 received by Respondent on September 17, 2010, and;
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23 Respondent having failed to request a hearing in this matter, and good cause
24 appearing:

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1 NOW, THEREFORE, **IT IS HEREBY ORDERED** that, pursuant to NRS 645B.750,
2 Respondent will be subject to the administrative fines, fees and/or costs as set forth in the
3 original Order attached hereto as Exhibit "1".

4 **IT IS FURTHER ORDERED** that the sum of said administrative fines, fees and/or costs
5 be paid in full within **thirty (30) days** of entry of the Order;

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7 Dated this 5th day of October, 2010.
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11 State of Nevada
12 Department of Business and Industry
13 Division of Mortgage Lending

14 By: Joseph L. Waltuch
15 Joseph L. Waltuch, Commissioner
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EXHIBIT “1”

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

In re:

Direct Mortgage Corporation of Nevada
Respondent.

**NOTICE OF INTENT TO IMPOSE
FINE AND NOTICE OF RIGHT TO
REQUEST HEARING**

The licensing and regulation of mortgage brokers, mortgage bankers and escrow agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Revised Statutes ("NRS"), respectively, and Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Administrative Code ("NAC"), respectively, and the regulations promulgated thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division") has the general duty to exercise supervision and control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Direct Mortgage Corporation of Nevada ("Respondent") is a corporation organized and existing under the laws of the State of Nevada since on or about July 11, 2008. Currently, Respondent's status with the Nevada Secretary of State is "default."

2. On approximately August 6, 2008, Respondent was issued a mortgage broker license (License No. 3141) by the Division pursuant to Chapter 645B of NRS.

3. At all relevant times herein mentioned, Respondent operated within the State of Nevada as a licensed mortgage broker. The Division currently classifies Respondent's license as "active." All factual allegations herein occurred while Respondent held an active mortgage

1 broker license.

2 4. Pursuant to the Nevada Revised Statutes and the regulations promulgated
3 thereunder, with limited exceptions, the Commissioner is charged with, among other things,
4 conducting an annual examination of each mortgage broker, mortgage banker and escrow
6 agency doing business in this State. See, NRS 645B.060(2)(d), NRS 645E.300(2)(d) and
7 NRS 645A.050(2)(b).

8 5. An annual examination by the Commissioner of Respondent's books and affairs
9 was scheduled for April 28, 2010.

10 6. Respondent failed to appear for the examination or refused or failed, within a
11 reasonable time, to furnish information or make a report required by the Commissioner
12 pursuant to the provisions of NRS 645B.060, NRS 645E.300 or NRS 645A.050, as
13 applicable.
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15 7. Pursuant to NRS 645B.670, "(f)or each violation committed by a mortgage
16 broker, the Commissioner may impose upon the mortgage broker an administrative fine of not
17 more than \$25,000, may suspend, revoke or place conditions upon his license, or may do
18 both, if the mortgage broker...(h)as refused to permit an examination by the Commissioner of
19 his books and affairs or has refused or failed, within a reasonable time, to furnish any
20 information or make any report that may be required by the Commissioner pursuant to the
21 provisions of this chapter or a regulation adopted pursuant to this chapter." See, NRS
22 645B.670(2)(i).
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24 8. Pursuant to NRS 645E.670(2)(i), '(f)or each violation committed by a mortgage
25 banker, the Commissioner may impose upon the mortgage banker an administrative fine of
26 not more than \$10,000, may suspend, revoke or place conditions upon his license, or may do
27 both, if the mortgage banker...(h)as refused to permit an examination by the Commissioner of
28 his books and affairs or has refused or failed, within a reasonable time, to furnish any

1 information or make any report that may be required by the Commissioner pursuant to the
2 provisions of this chapter or a regulation adopted pursuant to this chapter." See, NRS
3 645E.670(2)(i).

4 9. Pursuant to NRS 645A.090, "(t)he Commissioner may...suspend or revoke any
6 license or impose a fine of not more than \$10,000 for each violation...if upon a hearing, it is
7 determined that the applicant or licensee...(h)as refused to permit an examination by the
8 Commissioner of his books and affairs or has refused or failed, within a reasonable time, to
9 furnish any information or make any report that may be required by the Commissioner
10 pursuant to the provisions of this chapter." See, NRS 645A.090(1)(i).

12 VIOLATIONS OF LAW

13 Respondent has failed to permit an examination by the Commissioner of his books and
14 affairs or has refused or failed, within a reasonable time, to furnish any information or make
15 any report that may be required by the Commissioner pursuant to provisions of the applicable
16 NRS chapter or a regulation adopted pursuant to such chapter, in violation of NRS
17 645B.670(2)(i), NRS 645E.670(2)(i) or NRS 645A.090(1)(i), as applicable.

19 ORDER

20 **NOW, THEREFORE, IT IS HEREBY ORDERED** that, pursuant to NRS 233B.121 and
21 645B.750(2), NRS 645E.750(2) or NRS 645A.100(2), as applicable, upon the timely filing of an
22 application with the Division within **twenty (20) days** of the date of this Order, Respondent shall
23 be entitled to a hearing with regard to the contents of this Order. At that hearing, the Division will
24 seek:

25 a. The imposition of an administrative fine against Respondent in the amount of
26 Two Thousand Five Hundred Dollars and No Cents (\$2,500.00) for Respondent's violations of
27 Chapter 645B, Chapter 645E or Chapter 645A of NRS, as applicable, the Division's
28 investigative and other costs in the amount of One Hundred Eighty Dollars and No Cents

1 (\$180.00) as well as the Division's attorney's fees, if any, incurred herein, each to be proven
2 at the hearing; and

3 b. Respondent's payment, in full, of the administrative fine, costs and fees to the
4 Division within **thirty (30) days** of entry of the Final Order.

6 Should Respondent request a hearing, Respondent is advised of the following:

7 a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At
8 any hearing Respondent shall be entitled to respond and to present evidence and argument on
9 all issues involved; c) Requests may be made to the Commissioner for the issuance of
10 subpoenas; however, the Commissioner may request the proposed testimony of any such
11 person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may
12 agree to an informal resolution or settlement prior to any hearing.
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14 Should Respondent not request a hearing within **twenty (20) days** of the date of this
15 Order, the Division will enter a Final Order in this matter against Respondent, as otherwise
16 required by law.

17 Dated this 14th day of September, 2010.

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19 State of Nevada
20 Department Of Business and Industry
21 Division of Mortgage Lending

22 BY: Joseph L. Waltuch
23 Joseph L. Waltuch, Commissioner
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CERTIFICATE OF SERVICE

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I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on, October 7, 2010, 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, FINAL ORDER for DIRECT MORTGAGE CORPORATION OF NEVADA and addressed as follows:

Linda Peterson
Direct Mortgage Corporation of Nevada
9041 South Pecos Road, Suite 4130
Henderson, NV 89074

Certified Receipt Number: 7008 1830 0002 7959 6908

James Beech
Direct Mortgage Corporation of Nevada
6955 South Union Park Center, Suite 540
Salt Lake City, UT 84047

Certified Receipt Number: 7008 1830 0002 7959 6915

DATED this 5th day of October, 2010

By: Sheila Gardner
Employee of the Division