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: DB MORTGAGE LLC, Applicant.	Order No. 2013-10 Case No. 2013-10

FINAL ORDER DENYING MORTGAGE BROKER LICENSE

Issued and Entered
This 13th day of December, 2013,
By James Westrin
Commissioner

WHEREAS, on or about October 5, 2012, DB MORTGAGE LLC ("Applicant") made application to the Commissioner for a mortgage broker license pursuant to provisions of Chapter 645B of the Nevada Revised Statutes; and,

WHEREAS, on July 16, 2013, the Applicant was issued and served with a Notice of Intent to issue Final Order Denying Mortgage Broker License and Notice of Opportunity for Hearing (attached hereto and incorporated herein by this reference); and,

WHEREAS, Applicant requested a hearing and the matter was referred to the Department of Business and Industry for the assignment of a hearing officer and hearing; and,

WHEREAS, a hearing in this matter was held on November 14, 2013, and a final order affirming the license denial (attached hereto and incorporated herein by this reference) was issued by the hearing officer on December 5, 2013.

NOW, THEREFORE, it is ORDERED that Applicant's application for a mortgage broker license shall be and hereby is DENIED.

IT IS SO ORDERED.

DIVISION OF MORTGAGE LENDING

By: _____
JAMES WESTRIN, COMMISSIONER

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Mortgage Lending Division

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY

In the Matter of: Supratman Hidayat (aka DB Mortgage, LLC)	Case No. 2013-01 Case Type: License Denial

FINAL ORDER AFFIRMING THE LICENSE DENIAL

On or about October 5, 2012, Supratman Hidayat, under the reserved name DB Mortgage, LLC ("Applicant"), filed an application with the State of Nevada, Department of Business and Industry, Division of Mortgage Lending ("Division") for a "mortgage broker license" in accordance with the provisions of Nevada Revised Statutes (NRS) 645B.020. The Division's staff conducted a thorough background investigation into the Applicant's qualifications and suitability. The application was denied and a Notice of Intent to Issue Final Order was issued by Mortgage Lending Division Commissioner James Westrin on July 31, 2013. A request for an Administrative Hearing was filed by the Applicant and the matter was assigned to Administrative Law Judge Keith Sakelhide. While the matter was originally scheduled for October 9, 2013, the hearing was continued to November 14, 2013. All parties were properly noticed.

FINDINGS OF FACT/CONCLUSIONS OF LAW

An administrative hearing in the above-entitled matter was held on November 14, 2013. The Division was represented by Deputy Attorney General Kali F. Miller and Barbara Bell, Program Officer I, offered testimony for the Division. The Applicant failed to appear. Administrative Law Judge Keith Sakelhide served as the Hearing Officer.

Pursuant to the provisions of NRS 645B.020(3)(b)(1), a mortgage broker license may be issued if the Applicant has "demonstrated financial responsibility, character and general fitness

so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently for the purposes of this chapter."

Ms. Bell offered testimony and submitted evidence which showed that the Applicant had several federal tax liens totaling $201,296.00. The liens were placed as a result of the Applicant's failure to pay federal income tax on income earned in 2004, 2005, 2007, 2008 and 2009. Based upon the Applicant's failure to comply with federal law over this five year period, it was Ms. Bell's position that the Applicant failed to demonstrate the requisite financial responsibility and fitness to be granted a license pursuant to the provisions of NRS 645B.020.

Since Mr. Hidayat elected not to appear for the scheduled hearing, his position with regard to the licensing denial can only been gleaned from three documents submitted during and shortly after the application review process. These documents included a Request for Appointment of a Hearing Officer, a one page letter attached to that request and a letter dated April 27, 2013. Based upon a review of those documents, it appears to be Mr. Hidayat's position that as a result of his bankruptcy filing, the US Bankruptcy Act prohibits the denial of a license based upon debts being discharged in bankruptcy. Mr. Hidayat offered no legal support (statutory, regulatory or case law) for this position.

Based upon the testimony provided by Ms. Bell and a thorough review of all evidence offered concerning the license denial, it is clear that the application denial was not based upon Mr. Hidayat's bankruptcy filing, but was predicated upon the Applicant's failure to meet his tax burden for a five-year period. Without Mr. Hidayat's presence at the scheduled hearing it is impossible to discern whether the Applicant's failure to pay his federal income tax during this five-year period was wilful and intentional, which would demonstrate a lack of character, or an oversight, which would show a lack of financial responsibility. Nevertheless, whether the reason for this failure was intentional or a five year oversight, it is clear that the Applicant failed to meet the standards established under NRS 645B.020 and should not be granted a mortgage broker license in the State of Nevada.

For these reasons, it is HEREBY ORDERED that the Division's denial of a mortgage broker license is AFFIRMED.

DATED THIS 5th DAY OF DECEMBER, 2013

Keith Sakelhide, Esquire
Administrative Law Judge
Department of Business and Industry
State of Nevada

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this date, I deposited into the U.S. Mail, postage prepaid, a copy of the foregoing FINAL ORDER to the persons listed below at their last known addresses:

Supratman Hidayat (DB Mortgage, LLC)
2107 Orchard Mist Street
Las Vegas, NV 89135
CERTIFIED RETURN RECEIPT NUMBER: 7012 1640 0000 0616 0 6183

Kali F. Miller, Deputy Attorney General
555 East Washington Ave., Suite 3900
Las Vegas, NV 89101

Nancy Corbin, Deputy Commissioner
7220 Bermuda Rd., Suite A
Las Vegas, NV 89119

DATED this 5 day of December, 2013

MICHELLE METIVIER
An Employee of the Nevada Department of Business & Industry

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: DB MORTGAGE LLC, Applicant.	))))))	Case No. 2013-10

NOTICE OF INTENT TO ISSUE
FINAL ORDER DENYING MORTGAGE BROKER LICENSE
AND
NOTICE OF OPPORTUNITY FOR HEARING

I.
NOTICE OF INTENT

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") is 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 brokers and mortgage agents in the State of Nevada; and,

The Commissioner is 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,

The Commissioner has the specific authority and responsibility under NRS 645B to review and evaluate an applicant's qualifications and suitability for the issuance or renewal of a license as a mortgage broker under the provisions of NRS 645B.020; and,

Pursuant to that statutory authority and responsibility vested in the Commissioner, and in accordance with provisions of NRS 645B and other applicable law, Notice is hereby provided to DB

MORTGAGE LLC (the "Applicant"), to give the Applicant notice of facts or conduct which, if true, will result in the issuance of a final order denying Applicant's application for a mortgage broker license. The factual allegations and complaint which warrant the intended action are set forth in Section II and the applicable laws are set forth in Section III of this Notice. **Notice is further provided to inform Applicant that prior to the issuance and entry of a final order, Applicant is entitled to an administrative hearing. If Applicant desires to avail itself of the right to an administrative hearing, Applicant must timely file a written request for an administrative hearing in accordance with the instructions set forth in Section IV of this Notice.**

II.

FACTUAL ALLEGATIONS AND COMPLAINT

The staff of the Division of Mortgage Lending alleges that the following facts are true and correct:

1. On or about October 5, 2012, Applicant made application with the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division") for a mortgage broker license, in accordance with NRS 645B.020.

2. Pursuant to NRS 645B.020(3)(b)(1), a mortgage broker license may only be issued if the Applicant, and each principal, officer or director of the Applicant, has demonstrated financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently.

3. The Division's staff conducted a background investigation into the Applicant's qualifications and suitability for a mortgage broker license and determined, from such investigation, that the Applicant does not demonstrate the financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently and necessary for licensure as a mortgage broker under NRS 645B. Specifically, during the course of the investigation of the Applicant, staff received and reviewed information and documentation showing that the Applicant's Managing Member and majority owner, Supratman Hidayat, has a federal tax lien of approximately $201,296.00 for failing to pay federal income tax on income earned during 2004, 2005, 2007, 2008 and 2009.

4. Based upon the foregoing facts, that the Managing Member and majority owner of the Applicant has failed to comply with federal law and failed to pay income taxes over a five year period, the Applicant has failed to demonstrate the required financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently necessary to satisfy NRS 645B.020(3)(b)(1).

5. The Applicant's failure to demonstrate the requisite financial responsibility, character and general fitness necessary to satisfy NRS 645B.020(3)(b)(1) renders the Applicant ineligible for licensure as a mortgage broker under NRS 645B.

III.

APPLICABLE LAWS AND PENALTIES

If the facts as alleged are true and correct, Applicant does not meet the statutory requirements to hold a mortgage broker license. Staff believes the following provisions are applicable in this matter:

NRS 645B.020(1) and (3), provides as follows:

1. A person who wishes to be licensed as a mortgage broker must file a written application for a license with the Office of the Commissioner and pay the fee required pursuant to NRS 645B.050. The Commissioner may require the applicant or person to submit the information or pay the fee directly to the Division or, if the applicant or person is required to register or voluntarily registers with the Registry, to the Division through the Registry. An application for a license as a mortgage broker must:

(a) State the name, residence address and business address of the applicant and the location of each principal office and branch office at which the mortgage broker will conduct business within this State, including, without limitation, any office or other place of business located outside this State from which the mortgage broker will conduct business in this State and any office or other place of business which the applicant maintains as a corporate or home office.

(b) State the name under which the applicant will conduct business as a mortgage broker.

(c) List the name, residence address and business address of each person who will:

(1) If the applicant is not a natural person, have an interest in the mortgage broker as a principal, partner, officer, director or trustee, specifying the capacity and title of each such person.

(2) Be associated with or employed by the mortgage broker as a mortgage agent.

(d) Include a general business plan and a description of the policies and procedures that the mortgage broker and his or her mortgage agents will follow to arrange and service loans and to conduct business pursuant to this chapter.

(e) State the length of time the applicant has been engaged in the business of a mortgage broker.

(f) Include a financial statement of the applicant and, if applicable, satisfactory proof that the applicant will be able to maintain continuously the net worth required pursuant to NRS 645B.115.

(g) Include all information required to complete the application.

(h) Unless fingerprints were submitted to the Registry for the person, include a complete set of fingerprints for each natural person who is a principal, partner, officer, director or trustee of the applicant which the Division may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(i) Include any other information required pursuant to the regulations adopted by the Commissioner or an order of the Commissioner.

* * *

3. Except as otherwise provided by law, the Commissioner shall issue a license to an applicant as a mortgage broker if:

(a) The application is verified by the Commissioner and complies with the requirements of this chapter; and

(b) The applicant and each general partner, officer or director of the applicant, if the applicant is a partnership, corporation or unincorporated association:

(1) Has demonstrated financial responsibility, character and general fitness so as to command the confidence of the community and warrant a determination that the applicant will operate honestly, fairly and efficiently for the purposes of this chapter.

(2) Has not been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering.

(3) Has not made a false statement of material fact on the application.

(4) Has never had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license revoked within the immediately preceding 10 years.

(5) Has not violated any provision of this chapter or chapter 645E of NRS, a regulation adopted pursuant thereto or an order of the Commissioner.

IV.

NOTICE OF OPPORTUNITY FOR AN ADMINISTRATIVE HEARING

This Notice is provided to you pursuant to NRS 645B.750, which provides as follows:

> 1. If the Commissioner enters an order taking any disciplinary action against a person or denying a person's application for a license, the Commissioner shall cause a written notice of the order to be served personally or sent by certified mail or telegram to the person.
>
> 2. Unless a hearing has already been conducted concerning the matter, the person, upon application, is entitled to a hearing. If the person does not make such an application **within 20 days** after the date of the initial order, the Commissioner shall enter a final order concerning the matter.
>
> 3. A person may appeal a final order of the Commissioner in accordance with the provisions of chapter 233B of NRS that apply to a contested case. [Emphasis added.]

If you wish to exercise your right to an opportunity for an administrative hearing, <u>within 20 calendar days after the date of this Notice</u>, you must file a verified petition with the Commissioner to request a hearing. The verified petition requesting a hearing must be delivered to:

Division of Mortgage Lending

Attn. Susan Slack

7220 Bermuda Road, Suite A

Las Vegas, Nevada 89119

If you fail to timely file a verified petition to request a hearing, your right to a hearing under NAC 645F.855 will be deemed waived and relinquished and a final order will be issued and entered in this matter.

In addition to the verified petition to request a hearing, you may file a written answer to this Notice of Intent to Issue Final Order Denying Mortgage Broker License.

DIVISION OF MORTGAGE LENDING

By: James Westrin

JAMES WESTRIN, COMMISSIONER

Dated: July 16, 2013

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, July 16th, 2013, 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, NOTICE OF INTENT TO ISSUE FINAL ORDER DENYING MORTGAGE BROKER LICENSE AND NOTICE OF OPPORTUNITY FOR HEARING for DB MORTGAGE LLC, addressed as follows:

Supratman Hidayat
2107 Orchard Mist Street
Las Vegas, NV 89135

Certified Receipt Number: 7009 2250 0001 8861 2061

DATED this 16th day of July, 2013

By: Susan Slack
Employee of the Division

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, December 16th, 2013, 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 DENYING MORTGAGE BROKER LICENSE for DB MORTGAGE LLC addressed as follows:

Supratman Hidayat
2107 Orchard Mist Street
Las Vegas, NV 89135

Certified Receipt Number: 7009 2250 0001 8861 2313

DATED this 13th day of December, 2013

By: Susan Slack
Employee of the Division