

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

4 Before the Commissioner of the Division of Mortgage Lending

5 _____)
6 In the Matter of:)

7 DIVISION OF MORTGAGE LENDING,)
8 Petitioner,)

Order No. 2015-015
Case No. 2014-006

9 v.)

10 PINNACLE LENDING GROUP, INC.)
11 Mortgage Broker License No. 2306,)

12 and)

13 ROBERT ALLAN RINK, JR., Sole Officer, Sole)
14 Shareholder, and Qualified Employee,)
15 Mortgage Agent License No. 22339,)
Respondents.)

16 CONSENT ORDER
17 TO CEASE AND DESIST VIOLATING NRS 645B
18 AND
19 TO PAY ADMINISTRATIVE FINE AND ADMINISTRATIVE COSTS

20 Issued and Entered,
21 This _____ day of _____, 2016,
22 By James Westrin,
23 Commissioner

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

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

3 PINNACLE LENDING GROUP, INC. (“PINNACLE”), having made application for and been
4 granted a license by the Commissioner as a mortgage broker, License No. 2306, pursuant to the provisions
5 of NRS 645B, on March 8, 2006, to engage in the activity of a mortgage broker from its office located at
6 5439 S. Durango Drive, Suite 200, Las Vegas, Nevada; and,

7 PINNACLE’S sole officer, sole shareholder, and qualified employee, ROBERT ALLAN RINK,
8 JR., (“RINK”), having made application for and been granted a license by the Commissioner as a
9 mortgage agent, License No. 22339, pursuant to the provisions of NRS 645B on December 23, 2003;
10 and,

11 At all times relevant to this matter, PINNACLE and RINK (collectively the “RESPONDENTS”)
12 having been licensed with the Division of Mortgage Lending (“Division”) pursuant to NRS 645B and,
13 therefore, subject to the jurisdiction of the Commissioner; and,

14 On or about June 17, 2013, the Division, having received a complaint against PINNACLE
15 alleging violations of the Act, and Division Staff commenced an investigation; and,

16 The Division Staff having, thereafter, from that investigation determined that RESPONDENTS
17 had engaged in conduct and activity that violates the Act. Specifically, the investigation revealed the
18 following:

19 1. The RESPONDENTS utilized a separate business entity, RAR LIMITED, LLC (“RAR”),
20 to provide to RECONDENTS what RESPONDENTS initially described as “marketing services.” RAR
21 is a domestic limited liability company formed by RINK in 1994;

22 2. RESPONDENT’S business entity RAR transitioned from an entity providing marketing
23 services into a loan processing company unlawfully employing independent-contractor loan processors
24 without the requisite mortgage agent license under the Act;

25 3. RESPONDENTS provided contradictory explanations concerning the employment
26 relationships between, PLG and unlicensed entity RAR; and

27 4. RESPONDENTS unlawfully utilized unlicensed entity RAR as the source of
28 compensation paid to individuals hired as loan assistants, paid as Form-1099 independent contractors,

1 and only after commencement of the Division’s investigation discontinuing its “relationship” with RAR,
2 and re-defining such persons as “loan processors” deemed as “employees” whose wages would be paid
3 as reflected on W-2 forms; and

4 That based upon the foregoing, the Division thereby concluding that PLG committed violations
5 of NRS 645B.670(1)(b)(2); NRS 645B.670(1)(b)(3); NRS 645B.670(1)(b)(7); NRS 645B.670(1)(b)(15);
6 NRS 645B.670(1)(b)(22)(I); NRS 645B.400; NRS 645B.900; and NAC 645B.300(3)(b); and that RINK
7 committed violations of NRS 645B.670(1)(c)(1); NRS 645B.670(1)(c)(4); NRS 645B.670(1)(c)(8): NRS
8 645B.400; NRS 645B.900: and NAC 645B.300(3)(b).

9 On or about December 16, 2014, in accordance with NRS 233B.127(3), RESPONDENTS were
10 served with a Notice of Opportunity to Show Compliance and Proposed Administrative Complaint which
11 included: (1) notice of facts or conduct which, if true, warrant formal disciplinary action against
12 RESPONDENT’S mortgage broker license, including revocation of such license, and (2) notice of
13 RESPONDENT’S opportunity to show compliance with all lawful requirements for the retention of their
14 mortgage broker’s license.

15 RESPONDENT’S availed themselves of their opportunity to show compliance at an information
16 conference held at the Division’s office On February 5, 2015. RESPONDENTS acknowledged the
17 violations, but represented corrective measures have been implemented.

18 That RESPONDENTS and the Division conferred concerning this matter and determined to
19 resolve this matter this pursuant to the following terms:

20 1. RESPONDENTS agree to CEASE AND DESIST from any and all violations of
21 NRS/NAC Chapters 645B;

22 2. RESPONDENTS agree to pay to the Division an ADMINISTRATIVE FINE in the
23 amount of \$50,000.00. The Administrative Fine shall be paid as follows:

24 a. Upon RESPONDENTS’ execution of the attached Voluntary Consent to Entry of
25 Consent Order, RESPONDENTS shall pay to the Division half of the ADMINISTRATIVE FINE, in the
26 amount of \$25,000.00, in accordance with the enclosed wiring instructions.

27 b. The collection of the remaining ADMINISTRATIVE FINE, in the amount of
28 \$25,000.00, will be deferred for period of one year beginning with RESPONDENTS execution of the

1 attached Voluntary Consent to Entry of Consent Order (the “deferral period”). If, during the deferral
2 period, RESPONDENTS fully comply with all terms of this Order, the remaining ADMINISTRATIVE
3 FINE, in the amount of \$25,000, will be waived and rescinded.

4 3. RESPONDENTS agree to pay to the Division the Division’s ADMINISTRATIVE
5 COSTS in the total amount of \$4,908.00;

6 4. RESPONDENTS and the Division agree that other than as may be required to enforce the
7 provisions of this Order, or in the event RESPONDENTS are charged by the Division with subsequent
8 violations of NRS 645B, neither this Order, nor any provision contained herein, shall be admissible in
9 any subsequent administrative or legal proceeding between the parties hereto; and,

10 RESPONDENTS having knowingly and voluntarily affixed the signature of RINK to the attached
11 VOLUNTARY CONSENT TO ENTRY OF CONSENT ORDER, incorporated herein by this reference,
12 have consented to the issuance of this CONSENT ORDER TO CEASE AND DESIST VIOLATING
13 NRS/NAC 645B AND TO PAY ADMINISTRATIVE FINE AND COSTS (the “Order”) with the intent
14 to be legally bound hereby, and has waived and relinquished any and all rights that RESPONDENTS
15 may now or hereafter have to be served with a notice of charges and an administrative hearing in this
16 matter or to judicial review of, or otherwise challenge or contest, the entry of this Order; and,

17 RESPONDENTS, having had opportunity to consult with legal counsel of their choosing
18 concerning this matter; and,

19 The Commissioner having determined that the terms of this ORDER are a reasonable resolution
20 of this matter and in the public interest:

21 NOW, THEREFORE, IT IS HEREBY ORDERED that:

22 1. RESPONDENTS shall CEASE AND DESIST from any and all violations of NRS/NAC
23 Chapters 645B Act and Regulation.

24 2. RESPONDENTS agree to pay to the Division an ADMINISTRATIVE FINE in the total
25 amount of \$50,000.00. The Administrative Fine shall be paid as follows:

26 a. Upon RESPONDENTS’ execution of the attached Voluntary Consent to Entry of
27 Consent Order, RESPONDENTS shall pay to the Division half of the ADMINISTRATIVE FINE, in the
28 amount of \$25,000.00, in accordance with the enclosed wiring instructions.

