

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:)
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Norma Simpao Lim,)
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Mortgage Loan Originator License #51521)
NMLS ID # 245562)
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)
)
Respondent.)

Case No: 2022-002

SETTLEMENT AGREEMENT AND CONSENT ORDER

This 19th day of April, 2022,
Issued and Entered,
By Cathy Sheehy,
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 and Chapter 645B of the Nevada Administrative Code (collectively, “the Act”), governing the licensing and conduct of mortgage agents and/or mortgage loan originators and mortgage brokers and/or mortgage companies doing business in the State of Nevada; and,

The Commissioner having been vested with general supervisory power and control over all mortgage agents and/or mortgage loan originators and mortgage brokers and/or mortgage companies doing business in the State of Nevada pursuant to the Act; and,

1 NORMA SIMPAO LIM (hereinafter collectively referred to as “RESPONDENT”), is and/or was
2 engaged in activity requiring licensure as a mortgage loan originator under the Act and is therefore subject
3 to the jurisdiction of the Commissioner; and,

4 WHEREAS, the State Regulatory Registry LLC (“SSR”), a wholly owned subsidiary of the
5 Conference of State Bank Supervisors (“CSBS”), owns and operates the Nationwide Multistate Licensing
6 System & Registry (“NMLS”). SRR administers pre-licensure (“PE”) and continuing education (“CE”)
7 and Uniform Test protocols. Title V of Public Law 110-289, the Secure and Fair Enforcement for
8 Mortgage Licensing Act of 2008 (the “SAFE Act”) requires that state-licensed mortgage loan originators
9 (“MLOs”) complete PE prior to initial licensure and annual CE thereafter. In order to meet PE
10 requirements contemplated under the SAFE Act, state-licensed MLOs must complete 20 hours of NMLS-
11 approved education. In order to meet CE requirements contemplated under the SAFE Act, state-licensed
12 MLOs must complete eight hours of NMLS approved education.

13 WHEREAS, the Mortgage Testing and Education Board (“MTEB”), which was created by SRR,
14 has approved “Administrative Action Procedures for S.A.F.E. Testing and Education Requirements” and
15 NMLS-Approved course providers (“AAP”), which extends administrative authority to the MTEB to
16 investigate alleged violations of the NMLS Rules of Conduct (“ROC”). The AAP also extends
17 administrative authority to the MTEB/SRR to investigate alleged violations of the NMLS Standards of
18 Conduct (“SOC”), which apply to all NMLS-Approved course providers.

19 WHEREAS, in late 2020, MTEB obtained information concerning suspicious activity and that
20 information identified a possible MLO cheating scheme coordinated by and implemented through Danny
21 Yen, d/b/a Real Estate Educational Services, an NMLS-Approved course provider that is assigned an
22 NMLS-Approved course provider identifier member of 1405046 (“REES”). Based on that information,
23 and pursuant to the AAP, the Investigative Review Committee (“IRC”) approved opening and pursuing
24 an investigation into this matter.

25 WHEREAS, SRR’s IRC issued a memorandum report on its investigation into the REES
26 coordinated MLO education fraud scheme. The IRC found that REES fraudulently provided course
27 credit to the MLOs who had never attended and completed REES’s eight-hour in-person CE course in
28 Westminster, California (the “In-person Education Scheme”). In each of the schemes orchestrated by

1 REES, the MLOs accepted credit for SAFE-Act-required education courses that they had either not taken
2 or completed on their own behalf in violation of the ROC, and state and federal law (collectively, the
3 “MLO Education Schemes”).

4 WHEREAS, based on the initial findings of the IRC, pursuant to the CSBS/AARMR Protocol
5 and Agreement this matter was referred from the IRC for further investigation and possible enforcement
6 action, and to which the CSBS Non-Depository Supervisory Committee authorized the creation of a
7 regulator taskforce to coordinate a multi-state investigation and enforcement activity in this matter
8 (“REES Regulatory Taskforce”). Specifically, the REES Regulatory Taskforce adopted the work of the
9 IRC investigation and engaged in additional investigatory work that included a demand from
10 RESPONDENT for a statement in writing under oath as to the all the facts and circumstances concerning
11 the MLO Education Schemes coordinated by and implemented through REES.

12 WHEREAS, as a result of the REES Regulatory Taskforce investigation as it pertains to
13 Respondent, the following relevant facts and determinations were made, including, but not limited to:

- 14 1) That Respondent admitted being a knowing and active participant in the MLO Education
15 Schemes coordinated by and implemented through REES;
- 16 2) That Respondent in fact had PE and/or CE requirements completed by REES on Respondent’s
17 behalf in violation of federal and state law. Specifically, that Respondent had 8 hours CE
18 completed by REES on Respondent’s behalf;
- 19 3) That by participating in the MLO Education Scheme coordinated by and implemented through
20 REES, Respondent had in fact violated the ROC; and
- 21 4) That by participating in the MLO Education Scheme coordinated by and implemented through
22 REES, Respondent violated state and federal laws concerning competing certain PE and/or
23 CE requirements as a mandatory qualification for licensure.

24 WHEREAS, Respondent enters this Agreement solely for the purpose of resolving disputes with
25 the Division, including concerning the conduct described in this Agreement, and does not admit or deny
26 any wrongdoing, allegations or implications of fact and does not admit to or deny any violations of
27 applicable laws, regulations and/or rules governing the conduct described herein. Respondent
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1 acknowledges that the Division has and maintains jurisdiction over the underlying dispute, including all
2 matters referred to in these recitals, and therefore has the authority to fully resolve the matter.

3 WHEREAS, Respondent represents to the Division that Respondent will comply with
4 Respondent's obligations under this Agreement, and that Respondent will hereafter continue to comply
5 with all regulatory requirements imposed by the Division or any other estate mortgage regulator, as
6 applicable.

7 WHEREAS, Respondent acknowledges that the Division is relying, in part, upon
8 RESPONDENT's representations and warranties stated herein in making its determination in this matter.
9 Respondent further acknowledges that this Agreement may be revoked and the Division may pursue any
10 and all remedies available under the law against Respondent if the Division later finds that Respondent
11 knowingly or willfully withheld information from any state mortgage regulator and/or the Division.

12 WHEREAS, the Division has legal authority to initiate administrative action based on the conduct
13 identified by the REES Regulatory Taskforce investigation as described herein.

14 WHEREAS, the intention of the Division in effecting this settlement is to fully resolve the
15 violations and misconduct described herein pertaining to Respondent's participation in the MLO
16 Education Scheme coordinated by and implemented through REES. The Division and any state mortgage
17 regulator reserve all of their rights, duties, and authority to enforce all statutes, rules, and regulations
18 under their respective jurisdictions against Respondent regarding any mortgage loan origination activities
19 outside the scope of this Agreement. Additionally, any state mortgage regulator may consider this
20 Agreement and the facts set forth herein in connection with, and in deciding, any action, or proceeding
21 under the jurisdiction of that state mortgage regulator, if the basis of such action, or proceeding under the
22 jurisdiction of that state mortgage regulator, if the basis of such action, or proceeding is not a direct result
23 of the specific activity identified herein; and that this Agreement may, if relevant to such action or
24 proceeding, be admitted into evidence in any matter before any such state mortgage regulator.

25 WHEREAS, Respondent hereby knowingly, willingly, voluntarily, and irrevocably consents to
26 the entry of this Order, which is being entered pursuant to the authority vested in the Division and agrees
27 that Respondent understands all of the terms and conditions contained herein. Respondent acknowledges
28 that Respondent has full knowledge of Respondent's rights to notice and a hearing, and review of such

1 hearing, and also waives all rights to any other judicial appeal concerning the terms, conditions, and
2 related obligations set forth in this Agreement. Respondent further acknowledges that Respondent has
3 had an opportunity to consult with independent legal counsel in connection with Respondent's waiver of
4 rights and with the negotiation and execution of this Agreement, and that Respondent has either consulted
5 with independent legal counsel or has knowingly elected not to do so.

6 RESPONDENT, having knowingly and voluntarily affixed a signature to the attached
7 VOLUNTARY CONSENT TO ENTRY OF COMMISSIONER'S CONSENT ORDER (the "Voluntary
8 Consent"), incorporated herein by this reference, has consented to the issuance of this Consent Order
9 ("the Order") with the intent to be legally bound hereby, and having waived and relinquished any and
10 all rights that RESPONDENT may now or hereafter has to attend an administrative hearing in this
11 matter or to judicial review thereof, or otherwise challenge or contest, the entry of this Order; and,

12 The Commissioner having determined that the terms of this Order are a reasonable resolution of
13 this matter and in the public interest.

14 NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

- 15 1. The recitals set forth above shall be incorporated as if fully set forth herein.
- 16 2. That pursuant to the licensing and supervision laws of the Division, the Division has jurisdiction
17 over Respondent and described herein and may enforce the terms of this Agreement thereon
18 unless otherwise stated in this Agreement.
- 19 3. On the Effective Date of this Agreement, Respondent agrees to the surrender of Respondent's
20 mortgage loan originator license issued by the Division.
- 21 4. Respondent further agrees that Respondent shall not apply for a new mortgage loan originator
22 license for a period of three months from the Effective Date of this Agreement. In the event that
23 Respondent applies for such a reinstatement of her license during that three-month period, that
24 license application shall be deemed denied.
- 25 5. Any time following the expiration of the three-month period from the Effective Date of this
26 Agreement, and provided that Respondent has paid the Administrative Fine set forth herein,
27 Respondent may apply for a new mortgage loan originator license. Notwithstanding the
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1 foregoing, the Division may either approve or deny such application pursuant to its normal
2 process for licensing.

- 3 6. Respondent agrees to pay the Division an administrative fine in the amount of \$1,000
4 ("Administrative Fine").
- 5 7. The Administrative Fine shall be and is due upon Respondent's execution of the attached
6 Voluntary Consent ("Effective Date") and shall be tendered to the Division in accordance with
7 the instructions included in the enclosed invoice.
- 8 8. Respondent further agrees to restrictions being placed on Respondent's NMLS account unless
9 and until the Administrative Fine is paid in full.
- 10 9. Prior to the submission of a new application for any new mortgage loan originator license from
11 the Division and provided Respondent has paid the Administrative Fine to the Division in full,
12 Respondent shall be required to complete the following mortgage loan originator education
13 requirements:
- 14 a. Twenty hours of NMLS approved PE, which shall consist of 14 hours of federal law
15 curriculum, three hours of ethics curriculum, and three hours of non-traditional
16 mortgage lending curriculum. None of these 20 hours of PE may be state-specific
17 curriculum; and
- 18 b. Eight hours of CE, which shall consist of four hours of federal law curriculum, two
19 hours of ethics curriculum, and two hours of non-traditional mortgage lending
20 curriculum. None of these eight hours of CE may be state-specific curriculum.
- 21 c. Respondent may not take any of the PE or CE provided for in Paragraph 9 of this
22 Section in an online self-study format ("OSS").
- 23 10. For a period of three years from the Effective Date of this Order, Respondent shall be required to
24 complete any additional required PE and/or CE in a format other than OSS.
- 25 11. Respondent agrees that the terms of this Agreement shall be enforced in accordance with the
26 provisions, terms and authorities provided in this Agreement and under the laws of the State of
27 Nevada.
- 28 12. This Agreement shall in no way preclude any state mortgage regulator from exercising its

1 examination or investigative authority authorized under the laws of their respective state, nor shall
2 this Agreement limit Respondent's obligation to cooperate with an examination or investigation,
3 to timely provide any information or documents to any state mortgage regulator.

4 13. To the extent Respondent engages in similar activity that was the basis for this Agreement,
5 Respondent affirmatively consents to the immediate revocation of any impacted mortgage loan
6 originator license issued by the Division. Respondent further agrees to waiver her right to a
7 hearing, and to any reconsideration, appeal, or other rights which may be afforded to contest the
8 revocation of the impacted mortgage loan originator license under this provision.

9 14. This Order shall be and is effective and enforceable on the date that it is issued, as shown in the
10 caption hereof.

11 15. This Order shall remain effective and enforceable until terminated, modified, set aside, or
12 suspended in writing by the Commissioner.

13 16. The Commissioner specifically retains jurisdiction over the matters contained herein and has the
14 authority to issue such further orders as she shall deem just, necessary, and appropriate to enforce
15 the provisions of the Act and to protect the public.

16 **IT IS SO ORDERED.**

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18 DIVISION OF MORTGAGE LENDING

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21 By: 
22 Cathy Sheehy, Commissioner
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