

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN ROONEY  
Assistant Chief Counsel  
3 JOHNNY VUONG (State Bar No. 249570)  
Senior Counsel  
4 Department of Business Oversight  
5 320 W. 4th Street, Suite 750  
6 Los Angeles, California 90013  
7 Telephone: (213) 576-7585  
8 Facsimile: (213) 576-7181  
Attorneys for Complainant

10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA

13	In the Matter of:	)	CRMLA LICENSE No. 417-0013
14	THE COMMISSIONER OF BUSINESS	)	
15	OVERSIGHT,	)	
16	Complainant,	)	STATEMENT OF FACTS IN SUPPORT OF
17	v.	)	ORDER TO DISCONTINUE VIOLATION
18	ACADEMY MORTGAGE CORPORATION	)	PURSUANT TO CALIFORNIA FINANCIAL
19	Respondent.	)	CODE SECTION 50321 AND NOTICE OF
20		)	INTENTION TO MAKE ORDER FINAL
21		)	
22		)	

23 The Commissioner of Business Oversight (“Commissioner”) finds that:

- 24 1. Academy Mortgage Corporation (“Academy”) is a residential mortgage lender
- 25 licensed by the Commissioner pursuant to the California Residential Mortgage Lending Act
- 26 (“CRMLA”) (California Financial Code section 50000 et seq.), under license number 417-0013.
- 27 Academy has its principal place of business located at 1220 East 7800 South, Sandy, Utah 84094.
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1           2.       On or about June 5, 2012, the Commissioner commenced a regulatory examination of  
2 the books and records of Academy under the CRMLA (“2012 regulatory examination”). The 2012  
3 regulatory examination disclosed that in 6 of the 47 funded loans reviewed, or approximately 13  
4 percent of the loans reviewed, Academy charged the borrower per diem interest in excess of one day  
5 prior to disbursement of loan proceeds, in violation of Financial Code section 50204, subdivision (o).  
6 The range of per diem interest overcharges was between \$25.19 and \$214.86. Academy overcharged  
7 borrowers between two and six days of interest. The per diem interest overcharges are repeat  
8 violations by Academy that were discovered in prior regulatory examinations conducted by the  
9 Commissioner.

10           3.       The Commissioner finds that, by reason of the foregoing, Academy has violated  
11 Financial Code section 50204, subdivision (o).

12           4.       Financial Code section 50321 provides in pertinent part:

13                   If, after investigation, the commissioner has reasonable grounds to  
14 believe that any licensee has violated its articles of incorporation or  
15 any law or rule binding upon it, the commissioner shall, by written  
16 order addressed to the licensee, direct the discontinuance of the  
17 violation. The order shall be effective immediately, but shall not  
18 become final except in accordance with the provisions of Section  
19 50323.

20           5.       Financial Code section 50323 provides in pertinent part:

21                   (a) No order issued pursuant to Section 50321 or 50322 may become  
22 final except after notice to the affected licensee of the commissioner's  
23 intention to make the order final and of the reasons for the finding. The  
24 commissioner shall also notify the licensee that upon receiving a  
25 request the matter will be set for hearing to commence within 15  
26 business days after receipt. The licensee may consent to have the  
27 hearing commenced at a later date. If no hearing is requested within 30  
28 days after the mailing or service of the required notice, and none is  
ordered by the commissioner, the order may become final without  
hearing and the licensee shall immediately discontinue the practices  
named in the order. If a hearing is requested or ordered, it shall be held  
in accordance with the provisions of the administrative Procedure Act  
(Chapter 5 (commencing with Section 11500) of Part 1 of Division 3  
of Title 2 of the Government Code), and the commissioner shall have  
all the powers granted under that act. If, upon the hearing, it appears to  
the commissioner that the licensee is conducting business in an unsafe

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and injurious manner or is violating its articles of incorporation or any law of this state, or any rule binding upon it, the commissioner shall make the order of discontinuance final and the licensee shall immediately discontinue the practices named in the order.

(b) The licensee has 10 days after an order is made final to commence to restrain enforcement of the order. If enforcement of the order is not enjoined within 10 days by the court in which the action is brought, the licensee shall comply with the order.

WHEREFORE, good cause showing, the Commissioner is issuing an Order to Discontinue Violations pursuant to Financial Code Section 50321 and notifying Academy of her intention to make the order final.

Dated: August 6, 2015  
Los Angeles, California

JAN LYNN OWEN  
Commissioner of Business Oversight

By: \_\_\_\_\_  
JOHNNY VUONG  
Senior Counsel  
Enforcement Division