

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER (CA BAR NO. 86717)  
Deputy Commissioner  
3 Department of Corporations  
4 320 West 4<sup>th</sup> Street, Ste. 750  
Los Angeles, California 90013-1105  
5 Attorneys for Complainant

6 BEFORE THE DEPARTMENT OF CORPORATIONS  
7 OF THE STATE OF CALIFORNIA  
8

9 In the Matter of the Accusation of ) File No. 603-C075  
10 THE CALIFORNIA CORPORATIONS )  
11 COMMISSIONER, )  
12 Complainant, )  
13 vs. ) NOTICE OF INTENTION  
14 COAST TO COAST MORTGAGE ) TO ISSUE ORDER  
15 FINANCIAL, INC. , ) REVOKING CALIFORNIA  
16 Respondent. ) FINANCE LENDERS LICENSE  
17 )

18 Pursuant to section 22714 of the California Finance Lenders Law (California Financial  
19 Code), notice is hereby given of the intention of the California Corporations Commissioner to  
20 enter his Order pursuant to section 22714 of the California Finance Lenders Law to revoke  
21 Respondent's finance lenders license.

22 The attached Accusation, which is incorporated by this reference, states the reasons for  
23 the intended Order.

24 Unless a request for hearing, as evidenced by the mailing or delivery of the Notice of  
25 Defense, is received within 15 days after the Accusation was personally served upon you or  
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1 mailed to you, such Order may be entered at any time thereafter without a hearing.

2  
3 DATED: May 19, 2010  
Los Angeles, California

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5 PRESTON DuFAUCHARD  
California Corporations Commissioner

6  
7 By \_\_\_\_\_  
8 PATRICIA R. SPEIGHT  
Special Administrator  
9 California Finance Lenders Act

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California Corporations Commissioner  
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6 BEFORE THE DEPARTMENT OF CORPORATIONS  
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9 In the Matter of the Accusation of ) File No. 603-C075  
10 THE CALIFORNIA CORPORATIONS )  
11 COMMISSIONER, )  
12 Complainant, )  
13 vs. ) ACCUSATION  
14 COAST TO COAST MORTGAGE )  
15 FINANCIAL, INC. , )  
16 Respondent. )  
17

18 The Complainant is informed and believes, and based upon such information and belief,  
19 alleges and charges Respondent as follows:

20 I

21 Respondent is a finance lender and/or broker licensed by the California Corporations  
22 Commissioner ("Commissioner") pursuant to the California Finance Lenders Law (California  
23 Financial Code § 22000 et seq.) ("CFL"). Respondent has its principal place of business located  
24 at:

25 5777 W. CENTURY BLVD., #1225  
26 LOS ANGELES, CA 90045  
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II

Pursuant to California Financial Code section 22112, all CFL licensees are required to maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of respondent expired on May 19, 2010. On or about April 23, 2010 the Commissioner notified respondent that a replacement surety bond had to be filed immediately, but no later than the expiration date to avoid suspension or revocation of its CFL license.

Respondent has yet to obtain a replacement surety bond in violation of California Financial Code section 22112.

III

California Financial Code section 22112 provides in pertinent part:

A licensee shall maintain a surety bond in accordance with this subdivision in the amount of twenty-five thousand dollars (\$25,000). The bond shall be payable to the commissioner and issued by an insurer authorized to do business in this state. A copy of the bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be filed with the commissioner for review and approval within 10 days of execution. For licensees with multiple licensed locations, only one surety bond in the amount of twenty-five thousand dollars (\$25,000) is required. The bond shall be used for the recovery of expenses, fines, and fees levied by the commissioner in accordance with this division or losses or for damages incurred by consumers as the result of a licensee's noncompliance with the requirements of this division.

California Financial Code section 22714 provides in pertinent part:

The commissioner may suspend or revoke any license, upon notice and reasonable opportunity to be heard, if the commissioner finds any of the following:

- (a) The licensee has failed to comply with any demand, ruling, or requirement of the commissioner made pursuant to and within the authority of this division.
- (b) The licensee has violated any provision of this division or any rule or regulation made by the commissioner under and within the authority of this division.
- (c) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

1 IV

2 The Commissioner finds that, by reason of the foregoing, Respondent has violated  
3 California Financial Code section 22112, and based thereon, grounds exist to revoke the  
4 California Finance Lender license of Respondent.

5 WHEREFORE, IT IS PRAYED that the California finance lender license of Respondent  
6 be revoked.

7 DATED: May 19, 2010  
8 Los Angeles, California

9 PRESTON DuFAUCHARD  
10 California Corporations Commissioner

11  
12 By \_\_\_\_\_  
13 PATRICIA R. SPEIGHT  
14 Special Administrator  
15 California Finance Lenders Act  
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1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER  
Deputy Commissioner  
3 Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
4 Los Angeles, California 90013-2344  
5 Attorneys for Complainant

6 BEFORE THE DEPARTMENT OF CORPORATIONS  
7 OF THE STATE OF CALIFORNIA  
8

9 In the Matter of the Accusation of THE )  
10 CALIFORNIA CORPORATIONS )  
11 COMMISSIONER, ) File No.: 603C075  
12 Complainant, ) ORDER DISMISSING NOTICE OF  
13 vs. ) INTENTION TO ISSUE ORDER REVOKING  
14 COAST TO COAST MORTGAGE ) CALIFORNIA FINANCE LENDERS  
15 FINANCIAL, INC. ) LICENSE  
16 Respondent. )

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18 GOOD CAUSE APPEARING, the Notice of Intention to Issue Order Revoking California  
19 Finance Lenders License issued against COAST TO COAST MORTGAGE FINANCIAL, INC. on  
20 May 19, 2010 is hereby dismissed.

21  
22 Dated: May 26, 2010  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

23  
24  
25 By \_\_\_\_\_  
26 PATRICIA R. SPEIGHT  
27 Special Administrator  
California Finance Lenders Law  
28

1 PRESTON DuFAUCHARD  
2 California Corporations Commissioner  
3 ALAN S. WEINGER (CA BAR NO. 86717)  
4 Deputy Commissioner  
5 Department of Corporations  
6 320 West 4<sup>th</sup> Street, Ste. 750  
7 Los Angeles, California 90013-1105  
8 Attorneys for Complainant

9  
10 BEFORE THE DEPARTMENT OF CORPORATIONS  
11 OF THE STATE OF CALIFORNIA  
12

13 In the Matter of the Accusation of ) File No. 603-C075  
14 THE CALIFORNIA CORPORATIONS )  
15 COMMISSIONER, )  
16 )  
17 Complainant, )  
18 )  
19 vs. ) NOTICE OF INTENTION  
20 ) TO ISSUE ORDER  
21 ) REVOKING CALIFORNIA  
22 ) FINANCE LENDERS LICENSE  
23 )  
24 COAST TO COAST MORTGAGE )  
25 FINANCIAL, INC., )  
26 )  
27 Respondent. )  
28 )

19 Pursuant to section 22714 of the California Finance Lenders Law (California  
20 Financial Code), notice is hereby given of the intention of the California Corporations  
21 Commissioner to enter his Order pursuant to section 22714 of the California Finance  
22 Lenders Law to revoke Respondent's finance lenders license.

23 The attached Accusation, which is incorporated by this reference, states the reasons  
24 for the intended Order.

25  
26 Unless a request for hearing, as evidenced by the mailing or delivery of the Notice of  
27 Defense, is received within 15 days after the Accusation was personally served upon you or  
28

1 mailed to you, such Order may be entered at any time thereafter without a hearing.

2  
3 DATED: June 8, 2011  
4 Los Angeles, California

5 PRESTON DuFAUCHARD  
6 California Corporations Commissioner

7 By \_\_\_\_\_  
8 PATRICIA R. SPEIGHT  
9 Special Administrator  
10 California Finance Lenders Law

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1 PRESTON DuFAUCHARD  
2 California Corporations Commissioner  
3 ALAN S. WEINGER (CA BAR NO. 86717)  
4 Deputy Commissioner  
5 Department of Corporations  
6 320 West 4<sup>th</sup> Street, Ste. 750  
7 Los Angeles, California 90013-1105  
8 Attorneys for Complainant

9  
10 BEFORE THE DEPARTMENT OF CORPORATIONS  
11 OF THE STATE OF CALIFORNIA  
12

13 In the Matter of the Accusation of ) File No. 603-C075  
14 THE CALIFORNIA CORPORATIONS )  
15 COMMISSIONER, )  
16 )  
17 Complainant, )  
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19 vs. ) ACCUSATION  
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21 COAST TO COAST MORTGAGE )  
22 FINANCIAL, INC., )  
23 )  
24 Respondent. )  
25 )  
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29 The Complainant is informed and believes, and based upon such information and  
30 belief, alleges and charges Respondent as follows:

31 I

32 Respondent is a finance lender and/or broker licensed by the California Corporations  
33 Commissioner ("Commissioner") pursuant to the California Finance Lenders Law  
34 (California Financial Code § 22000 et seq.) ("CFL"). Respondent has its principal place of  
35 business located at:

36  
37 5777 W. CENTURY BLVD., #1225  
38 LOS ANGELES, CA 90045

1 II

2 Pursuant to California Financial Code section 22112, all CFL licensees are required to  
3 maintain a surety bond in the minimum amount of \$25,000.00. The surety bond of  
4 respondent expired on June 5, 2011. On or about May 10, 2011, the Commissioner notified  
5 respondent that a replacement surety bond had to be filed immediately, but no later than the  
6 expiration date to avoid suspension or revocation of its CFL license.

7 Respondent has yet to obtain a replacement surety bond in violation of California  
8 Financial Code section 22112.

9 III

10 California Financial Code section 22112 provides in pertinent part:

11 A licensee shall maintain a surety bond in accordance with this subdivision in  
12 the amount of twenty-five thousand dollars (\$25,000). The bond shall be  
13 payable to the commissioner and issued by an insurer authorized to do business  
14 in this state. A copy of the bond, including any and all riders and  
15 endorsements executed subsequent to the effective date of the bond, shall be  
16 filed with the commissioner for review and approval within 10 days of  
17 execution. For licensees with multiple licensed locations, only one surety  
18 bond in the amount of twenty-five thousand dollars (\$25,000) is required. The  
19 bond shall be used for the recovery of expenses, fines, and fees levied by the  
20 commissioner in accordance with this division or losses or for damages  
21 incurred by consumers as the result of a licensee's noncompliance with the  
22 requirements of this division.

23 California Financial Code section 22714 provides in pertinent part:

24 The commissioner may suspend or revoke any license, upon notice and  
25 reasonable opportunity to be heard, if the commissioner finds any of the  
26 following:

27 (a) The licensee has failed to comply with any demand, ruling, or requirement  
28 of the commissioner made pursuant to and within the authority of this division.

(b) The licensee has violated any provision of this division or any rule or  
regulation made by the commissioner under and within the authority of this  
division.

(c) A fact or condition exists that, if it had existed at the time of the original  
application for the license, reasonably would have warranted the commissioner  
in refusing to issue the license originally.

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IV

The Commissioner finds that, by reason of the foregoing, Respondent has violated California Financial Code section 22112, and based thereon, grounds exist to revoke the California Finance Lender license of Respondent.

WHEREFORE, IT IS PRAYED that the California finance lender license of Respondent be revoked.

DATED: June 8, 2011  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
PATRICIA R. SPEIGHT  
Special Administrator  
California Finance Lenders Law

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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: COAST TO COAST MORTGAGE FINANCIAL, INC.  
5777 W. Century Blvd., Ste. 1225  
Los Angeles, California 90045

**DESIST AND REFRAIN ORDER**  
**(For violations of the California Finance Lenders Law)**

The California Corporations Commissioner finds that:

1. The Department of Corporations, through the California Corporations Commissioner (“Commissioner”), is vested with the authority to license and regulate finance lenders and brokers in the State of California pursuant to the California Finance Lenders Law (California Financial Code §§ 22000 et. seq., hereinafter “CFL”).

2. Coast to Coast Mortgage Financial, Inc. (“Coast to Coast”) has been licensed by the Commissioner since on or about October 12, 2005 to engage in the business of a broker; file number 603-C075. Coast to Coast is located at 5777 W. Century Boulevard, Suite 1225, Los Angeles, California 90045.

3. On or about November 5, 2009, Coast to Coast engaged in false and misleading advertising in violation of Financial Code section 22161 and California Code of Regulations, Title 10, Section 1436(e) by placing an advertisement for non-traditional loans in the Los Angeles Times, which advertisement (i) failed to state that the monthly payment amounts for the six loan amounts listed in the advertisement represented only the interest portion of the payment for the first ten years, (ii) failed to state what the monthly payment would be for the remaining twenty years of the loan, (iii) failed to state what the monthly principal and interest payment would be if the interest only option was not chosen, and (iv) represented that the “loan has been submitted, reviewed and non-disapproved by the Department of Corporations.”.

4. Coast to Coast also violated California Code of Regulations, title 10, section 1550, subsection (b) by failing to submit the above-described advertisement to the Commissioner for

1 examination and written non-disapproval prior to its use.

2 5. On or about July 31, 2009, Coast to Coast submitted to the Department for  
3 examination and prior written non-disapproval as required by California Code of Regulations, title  
4 10, section 1550, subsection (b), the advertisement described in paragraph 3 above without the  
5 statement that the “loan has been submitted, reviewed and non-disapproved by the Department of  
6 Corporations.” On or about October 23, 2009, Coast to Coast was notified in writing by the  
7 Department that the subject advertisement was disapproved and the reasons therefore.

8 6. Thereafter, on or about November 5, 2009, Coast to Coast ran the disapproved  
9 advertisement in the Los Angeles Times with the additional language that the “loan has been  
10 submitted, reviewed and non-disapproved by the Department of Corporations”, which representation  
11 was not only false, but in direct violation of Financial Code section 22161(b), which prohibits any  
12 statement or representation that refers to the supervision of the business of the licensee by the State  
13 or any Department or official of the State.

14 7. NOW, BASED UPON THE FOREGOING, IT IS HEREBY ORDERED, under the  
15 provisions of California Financial Code section 22712 that Coast to Coast Mortgage Financial, Inc.  
16 and any and all officers, directors, employees, independent contractors, or agents operating on behalf  
17 of Coast to Coast Mortgage Financial, Inc. and their successors or assigns immediately desist and  
18 refrain from (i) engaging in any false, deceptive and/or misleading advertising, including the  
19 advertising described herein, and (ii) using any advertisement prior to its submission to the  
20 Commissioner for examination and receipt of written non-disapproval. This Order is necessary, in  
21 the public interest, for the protection of consumers and is consistent with the purposes, policies and  
22 provisions of the California Finance Lenders Law.

23 THIS ORDER shall remain in full force and effect until further order of the Commissioner.

24 Dated: December 15, 2009  
25 Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

26  
27 By \_\_\_\_\_  
28 Alan S. Weinger  
Deputy Commissioner