

1 PRESTON DUFAUCHARD
California Corporations Commissioner
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9
10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA

11 In the Matter of the Accusation of THE) File No.: 413-0684
12 CALIFORNIA CORPORATIONS)
COMMISSIONER,)
13) **ACCUSATION**
Complainant,)
14)
15 v.)
16 Dollar Investment Corp. of Memphis, doing)
business as Nuplace Lending,)
17)
18 Respondent.)
19 _____)

20 The Complainant, California Corporations Commissioner ("Commissioner"), is informed and
21 believes, and based upon such information and belief, alleges and charges Respondent as follows:

22 **I.**

23 Respondent Dollar Investment Corp. of Memphis, doing business as Nuplace Lending,
24 ("Dollar") is a residential mortgage lender licensed by the Commissioner pursuant to the California
25 Residential Mortgage Lending Act (California Financial Code, § 50000 *et seq.*) ("CRMLA"). Dollar
26 has its principal place of business located at 3426 Park Avenue, Suite 4, Memphis, Tennessee 38111.

27 **II.**

28 Pursuant to California Financial Code sections 50307 and 50401 and California Code of

1 Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file the
2 following annual reports with the Commissioner: (1) Report of Principal Amount of Loans and
3 Aggregate Amount of Loans Serviced ("Activity Report"); (2) Report on Non-traditional, Adjustable
4 Rate and Mortgage Loan Products ("Non-traditional Report"); and (3) Non-traditional, Adjustable
5 Rate and Mortgage Loan Survey ("Survey"). The Activity Report, Non-traditional Report, and
6 Survey must be filed with the Commissioner on or before March 1st of each year for the preceding
7 twelve (12) month period ending December 31.

8 On or about February 1, 2008, an Activity Report form, Non-traditional Report form and
9 Survey were sent to all CRMLA licensees, including Dollar, with a notice stating that these reports
10 were due on or before March 1, 2008. The Commissioner assessed a penalty of one thousand dollars
11 (\$1,000.00), pursuant to California Financial Code section 50326, for the failure to submit these
12 reports on or about May 15, 2008. To date, Dollar has not submitted the Activity Report, the Non-
13 traditional Report or the Survey to the Commissioner or paid the assessed penalty.

14 III.

15 Pursuant to California Financial Code section 50200, all licensees under the CRMLA are
16 required to file audited financial statements ("Audited Report"), an Independent Auditor's Report on
17 Internal Controls ("Report on Internal Controls"), and its Uniform Single Attestation Program for
18 Mortgage Bankers ("USAP"), or its reconciliation of trust accounts, annually with the Commissioner.
19 Dollar was required to submit these reports for its fiscal year ending December 31, 2007 to the
20 Commissioner on or before April 15, 2008. Dollar did not file these reports.

21 On or about August 1, 2008, the Department assessed a penalty of one thousand dollars
22 (\$1,000.00) pursuant to California Financial Code section 50326 for failure to file these reports.
23 Dollar was notified that failure to pay the fine might result revocation of Dollar's license pursuant to
24 Financial Code section 50326 and 50327. To date, Dollar has yet to file these reports or pay any of
25 the assessed penalties.

26 IV.

27 On or about August 18, 2008, the Department received a Notice of Bond Cancellation from
28 The Bond Exchange that Dollar's bond would be cancelled within thirty (30) days after receipt of the

1 notice. Section 50205 of the California Financial Code requires all CRMLA licensees to maintain a
2 surety bond. On September 17, 2008, an Order to Discontinue Residential Mortgage Lending and/or
3 Servicing Activities Pursuant to Section 50319, California Financial Code was issued. To date,
4 Dollar has not reinstated or replaced the bond, and the order remains in effect.

5 **V.**

6 California Financial Code section 50327 provides in pertinent part:

7 (a) The commissioner may, after notice and a reasonable opportunity to
8 be heard, suspend or revoke any license if the commissioner finds that:
9 (1) the licensee has violated any provision of this division or any rule or
10 order of the commissioner thereunder; or (2) any fact or condition
11 exists that, if it had existed at the time of the original application for the
12 license, reasonably would have warranted the commissioner in refusing
13 to issue the license originally.

12 **VI.**

13 The Commissioner finds that, by reason of the foregoing, Dollar has violated California
14 Financial Code sections 50200, 50205, 50307, 50326, 50401 and California Code of Regulations,
15 title 10, section 1950.314.8, and based thereon, grounds exist to revoke Dollar's license as a
16 residential mortgage lender.

17 WHEREFORE, IT IS PRAYED that the residential mortgage lender license of Dollar
18 Investment Corp. of Memphis, doing business as Nuplace Lending be revoked and, pursuant to
19 Financial Code section 50311, Dollar Investment Corp. of Memphis, doing business as Nuplace
20 Lending be given a transition period of sixty (60) days within which to complete any loans for which
21 it had prior commitments.

22 DATED: October 30, 2008
23 Sacramento, CA

24 PRESTON DuFAUCHARD
25 California Corporations Commissioner

26
27 By _____
28 Joanne Ross
Corporations Counsel

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