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California Corporations Commissioner  
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10  
11 BEFORE THE DEPARTMENT OF CORPORATIONS  
12 OF THE STATE OF CALIFORNIA

13 In the Matter of the Accusation of THE ) File No.: 413-0318  
CALIFORNIA CORPORATIONS )  
14 COMMISSIONER, )  
15 Complainant, ) **ORDER REVOKING RESIDENTIAL**  
MORTGAGE LENDER LICENSE  
16 )  
17 v. )  
18 First NLC Financial Services, LLC, doing )  
business as The Lending Center )  
19 Respondent. )  
20 )

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22 The California Corporations Commissioner finds:

23 1. Respondent First NLC Financial Services, LLC, doing business as The Lending  
24 Center, ("First NLC") is a residential mortgage lender licensed by the Commissioner pursuant to the  
25 California Residential Mortgage Lending Act (California Financial Code, § 50000 *et seq.*)  
26 ("CRMLA"). First NLC has its principal place of business located at 4680 Conference Way South,  
27 Boca Raton, Florida 33431.

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1           2.       Pursuant to California Financial Code sections 50307 and 50401, all licensees under  
2 the CRMLA are required to file the Report of Principal Amount of Loans and Aggregate Amount of  
3 Loans Serviced ("Activity Report"), Report on Non-traditional, Adjustable Rate and Mortgage Loan  
4 Products ("Non-traditional Report"), and Non-traditional, Adjustable Rate and Mortgage Loan  
5 Survey ("Survey") with the Commissioner on or before March 1st of each year for the preceding  
6 twelve (12) month period ending December 31.

7           3.       On or about February 1, 2008, an Activity Report form, Non-traditional Report form  
8 and Survey were sent to all CRMLA licensees, including First NLC, with a notice stating that these  
9 reports were due on or before March 1, 2008.

10          4.       The Commissioner assessed a penalty against First NLC 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.

13          5.       First NLC has not submitted the Activity Report, the Non-traditional Report or the  
14 Survey to the Commissioner or paid the assessed penalty as required by California Financial Code  
15 sections 50307, 50326, and 50401.

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

22          7.       On or about August 1, 2008, the Department assessed a penalty against First NLC of  
23 one thousand dollars (\$1,000.00) pursuant to California Financial Code section 50326 for failure to  
24 file these reports.

25          8.       First NLC was notified that failure to pay the fine might result revocation of First  
26 NLC's license pursuant to Financial Code section 50326 and 50327.

27          9.       First NLC has yet to file these reports or pay any of the assessed penalties as required  
28 by California Financial Code sections 50200, 50326, and California Code of Regulations, title 10,

1 section 1950.200.

2 10. On or about January 17, 2008, the Department received a Notice of Bond Cancellation  
3 from Hartford Fire Insurance Company that First NLC's bond would be cancelled within thirty (30)  
4 days after receipt of the notice.

5 11. Section 50205 of the California Financial Code requires all CRMLA licensees to  
6 maintain a surety bond.

7 12. On February 19, 2008, an Order to Discontinue Residential Mortgage Lending and/or  
8 Servicing Activities Pursuant to Section 50319, California Financial Code was issued.

9 13. First NLC has not reinstated or replaced the bond, and the order remains in effect.

10 14. On or about February 7, 2008, First NLC notified the Department that it intended to  
11 surrender its lending license.

12 15. Section 50123 of the California Financial Code requires a plan of surrender to be filed  
13 the Department, with specific information provided to the Department.

14 16. On or about February 20, 2008, the Department sent a letter to First NLC that  
15 provided instructions for the information necessary to complete surrender of First NLC's license.

16 17. First NLC has not submitted the required information. Pursuant to section 50123 of  
17 the CRMLA, a license remains in effect until it has been surrendered, suspended or revoked.

18 18. On February 26, 2008, the Department received notice that First NLC had filed  
19 Chapter 11 bankruptcy, and that all papers regarding First NLC should be served to the bankruptcy  
20 attorney for First NLC.

21 19. On October 30, 2008, the Commissioner issued a Notice of Intention to Issue Order  
22 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against  
23 First NLC based upon the above, and First NLC was served with those documents on November 3,  
24 2008 via certified mail, return receipt requested, at its bankruptcy attorney's office. The Department  
25 has received no request for a hearing from First NLC and the time to request a hearing has expired.

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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential mortgage lender license issued by the Commissioner to First NLC Financial Services, LLC, doing business as The Lending Center, is hereby revoked. This order is effective as of the date hereof. Pursuant to California Financial Code section 50311, First NLC Financial Services, LLC, doing business as The Lending Center, has sixty (60) days within which to complete any loans for which it had commitments.

DATED: November 24, 2008  
Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
Alan S. Weinger  
Lead Corporations Counsel