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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of:) CRMLA LICENSE No.: 413-0937
)
12 THE COMMISSIONER OF BUSINESS) SETTLEMENT AGREEMENT
13 OVERSIGHT,)
)
14 Complainant,)
)
15 v.)
)
16 HIGHTECHLENDING, INC,)
17)
18 Respondent.)
)

19
20 This Settlement Agreement is entered into between Respondent HighTechLending, Inc.
21 (HighTech) and Complainant the Commissioner of Business Oversight (Commissioner), and is made
22 with respect to the following facts:

23 **RECITALS**

24 A. HighTech is a corporation in good standing, duly formed and existing pursuant to the
25 laws of the State of California, and authorized to do business in the State of California.

26 B. HighTech holds a residential mortgage lender license issued by the Commissioner
27 pursuant to the California Residential Mortgage Lending Act (CRMLA) (Financial Code §50000 et
28 seq.). HighTech has its principal place of business located at 2030 Main Street, Suite 350, Irvine,

1 California 92614. HighTech currently has 50 branch office locations under its CRMLA license
2 located in California and elsewhere. HighTech employs mortgage loan originators in its CRMLA
3 business.

4 C. The Department of Business Oversight (Department), through the Commissioner, has
5 jurisdiction over the licensing and regulation of persons and entities engaged in the business of
6 lending and/or servicing pursuant to the CRMLA, including mortgage loan originators.

7 D. On May 16, 2017, HighTech was personally served by the Commissioner with a
8 Notice of Intention to Issue Order to Levy Penalties, Accusation and accompanying documents dated
9 May 16, 2017 (Accusation). The Accusation alleges that HighTech has been engaging in the
10 business of servicing as a master servicer without proper licensure. On or about May 31, 2017,
11 HighTech filed a Notice of Defense with the Commissioner regarding the Accusation.

12 E. HighTech has advised the Commissioner that, rather than contesting the
13 Commissioner’s accusations through administrative proceedings, HighTech desires to resolve this
14 matter informally and cooperatively by way of settlement.

15 F. It is the intention and desire of the parties to resolve this matter without the necessity
16 of a hearing and/or other litigation.

17 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
18 forth herein, the parties agree as follows:

19 **TERMS AND CONDITIONS**

20 1. Purpose. This Agreement is entered into for the purpose of judicial economy and
21 expediency, and to avoid the expense of a hearing, and possible further court proceedings.

22 2. Penalties. HighTech hereby agrees to pay to the Commissioner the sum of
23 \$15,000.00 in penalties concurrently with its execution of this Agreement. The payment shall be
24 made by certified check payable to the Department of Business Oversight and shall be sent to the
25 Department, attention, Accounting-Litigation, 1515 K Street, Suite 200, Sacramento, CA 95814-
26 4052.

27 3. Waiver of Hearing Rights. HighTech acknowledges its right to an administrative
28 hearing under the CRMLA in connection with the Accusation and hereby waives that right to a

1 hearing, and to any reconsideration, appeal, or other rights which may be afforded pursuant to the
2 CRMLA, the California Administrative Procedure Act, the California Code of Civil Procedure, or
3 any other provision of law in connection with these matters.

4 4. Servicing Authority. The Commissioner hereby acknowledges that the mortgage loan
5 servicer application filed by HighTech on or about November 20, 2014 is ready to be approved, and
6 the Commissioner hereby agrees to approve HighTech’s residential mortgage loan servicer
7 application upon execution of this Agreement.

8 5. Information Willfully Withheld. This Agreement may be revoked and the
9 Commissioner may pursue any and all remedies available under law against HighTech, if the
10 Commissioner later finds out that HighTech knowingly or willfully withheld information used and
11 relied upon in this Agreement.

12 6. Binding. This Agreement is binding on all heirs, assigns and/or successors in interest.

13 7. Third Party Action. This Agreement does not create any private rights or remedies
14 against HighTech, create any liability for HighTech or limit defenses of HighTech for any person or
15 entity not a party to this Agreement.

16 8. Full and Final Settlement. The parties hereby acknowledge and agree that this
17 Agreement is intended to constitute a full, final and complete resolution of the allegations contained
18 in the Accusation up to and including the time the mortgage loan servicer application is approved.
19 However, the parties acknowledge and agree that nothing contained in this Agreement shall operate
20 to limit the Commissioner's ability to assist any other agency, (city, county, state or federal) with any
21 prosecution, administrative, civil or criminal, brought by any such agency against HighTech or any
22 other person based upon any of the activities alleged in these matters or otherwise.

23 9. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
24 has received independent advice from its attorney(s) and/or representatives with respect to the
25 advisability of executing this Agreement.

26 10. Reliance. Each of the parties represents, warrants, and agrees that in executing this
27 Agreement it has relied solely on the statements set forth herein and the advice of its own counsel
28 and/or representative. Each of the parties further represents, warrants, and agrees that in executing

1 this Agreement it has placed no reliance on any statement, representation, or promise of any other
2 party, or any other person or entity not expressly set forth herein, or upon the failure of any party or
3 any other person or entity to make any statement, representation or disclosure of anything
4 whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in
5 any way fraudulently induced to execute this Settlement Agreement; and (2) to preclude the
6 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this
7 Agreement.

8 11. Full Integration. This Agreement is the final written expression and the complete and
9 exclusive statement of all the agreements, conditions, promises, representations, and covenants
10 between the parties with respect to the subject matter hereof, and supersedes all prior or
11 contemporaneous agreements, negotiations, representations, understandings, and discussions
12 between and among the parties, their respective representatives, and any other person or entity, with
13 respect to the subject matter covered hereby.

14 12. No Presumption from Drafting. In that the parties have had the opportunity to draft,
15 review and edit the language of this Agreement, no presumption for or against any party arising out
16 of drafting all or any part of this Agreement will be applied in any action relating to, connected, to,
17 or involving this Agreement. Accordingly, the parties waive the benefit of California Civil Code
18 section 1654 and any successor or amended statute, providing that in cases of uncertainty, language
19 of a contract should be interpreted most strongly against the party who caused the uncertainty to
20 exist.

21 13. Waiver or Modification. The waiver of any provision of this Agreement shall not
22 operate to waive any other provision set forth herein, and any waiver, amendment and/or change to
23 the terms of this Settlement Agreement must be in writing signed by the parties.

24 14. Headings and Governing Law. The headings to the paragraphs of this Agreement are
25 inserted for convenience only and will not be deemed a part hereof or affect the construction or
26 interpretation of the provisions hereof.

27 15. Effective Date. This Agreement shall not become effective until signed and delivered
28 by all parties.

