

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Supervising Attorney
4 JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
5 Department of Corporations
320 West 4th Street, Ste. 750
6 Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

7 Attorneys for Complainant
8

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

11
12 In the Matter of the Accusation of THE) File No.: 413-0679
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) ACCUSATION
14)
Complainant,)
15)
16 vs.)
17 JORDAN WEST CO. doing business as JW)
DIRECT,)
18)
Respondent.)
19)
20)

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

23 I

24 Respondent Jordan West Co. doing business as JW Direct ("JW Direct") is a residential
25 mortgage lender licensed by the California Corporations Commissioner ("Commissioner") pursuant
26 to the California Residential Mortgage Lending Act (California Financial Code § 50000 et seq.)
27 ("CRMLA"). JW Direct has its principal place of business located at 5975 S. Quebec Street,
28 Suite 120, Denver, Colorado 80111.

II

Pursuant to California Financial Code section 50200, JW Direct was required to submit its audited financial statement for its fiscal year ended December 31, 2005 (“Audit Report”) to the Commissioner by April 15, 2006. JW Direct has yet to file its Audit Report with the Commissioner despite numerous reminders.

On or about December 6, 2005, the Commissioner notified JW Direct in writing that its Audit Report was due April 15, 2006. JW Direct failed to submit the Audit Report by April 15, 2006.

On or about August 10, 2006, a further letter was sent to JW Direct demanding the Audit Report be filed no later than August 20, 2006, and assessing JW Direct a penalty of \$1,000.00 pursuant to California Financial Code section 50326. JW Direct was notified in the letter that failure to file the Audit Report and/or pay the penalty by August 20, 2006 would result in an action to either suspend or revoke its license.

JW Direct has yet to file the Audit Report and/or pay the penalty as required by California Financial Code sections 50200 and 50326.

III

Pursuant to California Financial Code sections 50307 and 50401, all licensees under the CRMLA are required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced (“Activity Report”) on or before March 1 of each year for the preceding 12 month period ended December 31.

On or about January 19, 2006, a Report form was sent to all CRMLA licensees with a notice that the Report was due on March 1, 2006. JW Direct has yet to submit the Activity Report to the Commissioner despite numerous reminders.

On or about June 16, 2006, a letter was sent to JW Direct demanding the Activity Report be filed no later than June 26, 2006, and assessing JW Direct a penalty of \$1,000.00 pursuant to California Financial Code section 50326. JW Direct was notified in the letter that failure to file the Activity Report and/or pay the penalty by June 26, 2006 would result in an action to either suspend or revoke its license.

1 On or about July 18, 2006, the Commissioner received a letter from JW Direct stating that it
2 had filed its Activity Report and that it would file a new one if requested. On or about July 25, 2006,
3 a further letter was sent to JW Direct demanding that the Activity Report and payment of the penalty
4 assessed on June 16, 2006 be submitted no later than August 4, 2006 and again notifying JW Direct
5 that failure to file the Activity Report and/or pay the penalty by August 4, 2006 would result in an
6 action to either suspend or revoke its license.

7 JW Direct has yet to submit the Activity Report and/or pay the penalties as required by
8 California Financial Code sections 50307, 50326 and 50401.

9 IV

10 California Financial Code section 50327 provides in pertinent part:

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

17 V

18 The Commissioner finds that, by reason of the foregoing, JW Direct has violated California
19 Financial Code sections 50200, 50307, 50326 and 50401 and based thereon, grounds exist to revoke
20 the residential mortgage lender license of JW Direct.

21 WHEREFORE, IT IS PRAYED that the residential mortgage lender license of JW Direct be
22 revoked and that pursuant to California Financial Code section 50311, JW Direct be given a
23 transition period of sixty (60) days within which to complete any loans for which it had
24 commitments.

24 Dated: October 10, 2006
25 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

26 By _____
27 Judy L. Hartley
28 Senior Corporations Counsel