

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER  
Deputy Commissioner  
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6 Attorneys for Complainant

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

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In the Matter of the Accusation of THE  
11 CALIFORNIA CORPORATIONS  
COMMISSIONER,

) File No.: 413-0458

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Complainant,

) **ORDER REVOKING RESIDENTIAL  
MORTGAGE LENDER AND LOAN  
SERVICER LICENSE**

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v.

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MYLOR FINANCIAL,

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Respondent.

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The California Corporations Commissioner finds:

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1. Respondent Mylor Financial is a residential mortgage lender and loan servicer  
22 licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California  
23 Residential Mortgage Lending Act (California Financial Code, § 50000, *et seq.*) ("CRMLA").  
24 Pinnacle Financial has its principal place of business located at 215 Katherine Drive, Flowood,  
Mississippi 39232.

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2. Pursuant to California Financial Code sections 50307 and 50401 and California Code  
of Regulations, title 10, section 1950.314.8, Mylor Financial is required to file an annual (1) Report  
of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report"), (2)

1 Report on Non-traditional, Adjustable Rate and Mortgage Loan Products (“Non-traditional Report”),  
2 and (3) Non-traditional, Adjustable Rate and Mortgage Loan Survey (“Survey”) on or before March  
3 1st of each year for the preceding 12-month period ended December 31.

4 3. On January 23, 2009, an Activity Report form, Non-traditional Report form and  
5 Survey were sent to all CRMLA licensees with a notice that they were due on or before March 1,  
6 2009. Mylor Financial has not yet submitted the Activity Report, the Non-traditional Report or the  
7 Survey to the Commissioner.

8 4. On April 20, 2009, a letter was sent to Mylor Financial demanding that the Activity  
9 Report be filed “within ten (10) days of the date of this letter.” Mylor Financial was notified in the  
10 letter that failure to file the reports would result in administrative action.

11 5. Mylor Financial has yet to submit the Activity Report, Non-traditional Report or pay  
12 the penalty as required by California Financial Code sections 50307, 50326, 50401 and California  
13 Code of Regulations, title 10, section 1950.314.8.

14 6. Pursuant to California Financial Code section 50200, Mylor Financial was required to  
15 submit its audited financial statement for its fiscal year ended December 31, 2008 ("Audit Report") to  
16 the Commissioner on or before April 15, 2009, including a reconciliation of its trust accounts and an  
17 Independent Auditor's Report on Internal Controls ("Report on Internal Controls") pursuant to the  
18 California Code of Regulations, title 10, section 1950.200. Mylor Financial has not yet filed its Audit  
19 Report, trust account reconciliation, or Report on Internal Controls with the Commissioner.

20 7. On December 23, 2008, the Department notified Mylor Financial in writing that its  
21 Audit Report, trust account reconciliation, and Report on Internal Controls were due on or before  
22 April 15, 2009. Mylor Financial was advised in the letter that failure to file these reports might  
23 “result in fines in accordance with Financial Code section 50326, an immediate examination by the  
24 Commissioner in accordance with Financial Code section 50307, and/or revocation of the license.”

25 8. Mylor Financial has yet to file its Audit Report, Non-traditional Report or Survey as  
26 required by Financial Code sections 50200, 50307 and 50326.

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1           9.       Failure to file an activity report, non-traditional report, survey, audit report, trust  
2 account reconciliation, and report on internal controls are grounds under California Financial Code  
3 section 50327 for the revocation of a license issued under the CRMLA.

4           10.      On September 25, 2009, the Commissioner issued a Notice of Intention to Issue Order  
5 Revoking Residential Mortgage Lender and Loan Servicer License, Accusation and accompanying  
6 documents against Mylor Financial based upon the above, and Mylor Financial was served with those  
7 documents on October 1, 2009 via certified mail, return receipt requested, at its licensed location on  
8 file with the California Department of Corporations. The Department has received no request for a  
9 hearing from Mylor Financial and the time to request a hearing has expired.

10           NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential  
11 mortgage lender and loan servicer license issued by the Commissioner to Mylor Financial is hereby  
12 revoked. This order is effective as of the date hereof. Pursuant to California Financial Code section  
13 50311, Mylor Financial has sixty (60) days within which to complete any loans for which it had  
14 commitments.

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16 DATED: October 26, 2009  
17 Sacramento, CA

18                                   PRESTON DuFAUCHARD  
19                                   California Corporations Commissioner

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21                                   By \_\_\_\_\_  
22                                   Alan S. Weinger  
23                                   Deputy Commissioner  
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