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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.: 413-0425
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) ORDER REVOKING RESIDENTIAL
14) MORTGAGE LENDER AND LOAN
Complainant,) SERVICER LICENSE
15)
16 vs.)
17 WESTPAC FINANCIAL SERVICES, INC.)
doing business as CITI HOME LOAN,)
18)
19 Respondent.)
_____)

20
21 The California Corporations Commissioner finds:

22 1. Respondent Westpac Financial Services, Inc. doing business as Citi Home Loan
23 ("Citi") is a residential mortgage lender and loan servicer licensed by the California Corporations
24 Commissioner ("Commissioner") pursuant to the California Residential Mortgage Lending Act
25 (California Financial Code § 50000 et seq.) ("CRMLA"). Citi had its principal place of business
26 located at 15751 Rockfield Boulevard, Suite 200, Irvine, California 92618.
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1 2. Pursuant to California Financial Code sections 50307 and 50401, Citi is required to
2 file an annual Report of Principal Amount of Loans Originated and Aggregate Amount of Loans
3 Serviced (“Activity Report”) on or before March 1 of each year for the preceding 12 month period
4 ended December 31.

5 3. On January 19, 2006, an Activity Report form was sent to Citi with a notice that the
6 Activity Report was due on March 1, 2006. Citi failed to submit the Activity Report by March 1,
7 2006.

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

12 5. On June 26, 2006, the United States Post Office returned the June 16, 2006
13 correspondence with notations of “Return To Sender Not Deliverable As Addressed Unable To
14 Forward”. A review of the files on Citi disclosed that Citi had filed a change of address request on
15 December 14, 2005 reporting that it had changed its address to 550 Parkcenter #200, Santa Ana,
16 California 92705. Notwithstanding that the change of address did not meet the requirements for a
17 license location change, both the January 19, 2006 and the June 16, 2006 correspondence were re-
18 sent to Citi at the 550 Parkcenter address on August 7, 2006. On August 15, 2006, the
19 correspondence was again returned by the United States Post Office with notations of “Return To
20 Sender Unclaimed Unable To Forward”.

21 6. Citi has yet to submit the Activity Report and/or pay the penalty as required by
22 California Financial Code sections 50307, 50236 and 50401.

23 7. Pursuant to California Financial Code section 50200, Citi was required to submit its
24 audited financial statement for its fiscal year ended December 31, 2005 (“Audit Report”) to the
25 Commissioner by April 15, 2006.

26 8. On December 6, 2005, Complainant notified Citi in writing that its Audit Report was
27 due April 15, 2006. Citi failed to submit the Audit Report by April 15, 2006.
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1 9. On August 10, 2006, a further letter was sent to Citi demanding the Audit Report be
2 filed no later than August 20, 2006, and assessing Citi a penalty of \$1,000.00 pursuant to California
3 Financial Code section 50326. Citi was notified in the letter that failure to file the Audit Report
4 and/or pay the penalty by August 20, 2006 would result in an action to either suspend or revoke its
5 license. On or about August 23, 2006, the United States Post Office returned the August 10, 2006
6 correspondence with notations of “Return To Sender Attempted – Not Known Unable To Forward”.

7 10. Citi has yet to file the Audit Report and/or pay the penalty as required by California
8 Financial Code sections 50200 and 50326.

9 11. Failure to file activity reports and annual reports, and/or pay assessed penalties are
10 grounds under California Financial Code section 50327 for the revocation of a license issued under
11 the CRMLA.

12 12. On October 10, 2006, the Commissioner issued a Notice of Intention to Issue Order
13 Revoking Residential Mortgage Lender and Loan Servicer License, Accusation and accompanying
14 documents against Citi based upon the above, and Citi was served with those documents on October
15 10, 2006 via certified, return-receipt mail at its licensed location on file with the California
16 Department of Corporations. On October 23, 2006, Citi filed its Notice of Defense with the
17 Commissioner requesting a hearing in this matter. On December 12, 2006, the Commissioner
18 received a Notice of Withdrawal of Defense and Withdrawal of Request for Hearing from Citi.

19 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
20 mortgage lender and loan servicer license issued by the Commissioner to Citi is hereby revoked.
21 This order is effective as of the date hereof. Pursuant to California Financial Code sections 50310
22 and 50311, Citi has sixty days within which to transfer its existing servicing accounts and to
23 complete any loans for which it had commitments.

24 Dated: December 14, 2006
25 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

26 By _____
27 DiAun M. Burns
28 Special Administrator
 California Residential Mortgage Lending Act