

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

MARY ANN SMITH
Deputy Commissioner
DOUGLAS M. GOODING
Assistant Chief Counsel
MIRANDA LEKANDER (State Bar No. 210082)
Senior Counsel
Department of Business Oversight
1515 K Street, Suite 200
Sacramento, California 95814
Telephone: (916) 322-8730
Facsimile: (916) 445-6985
Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	NMLS NO. 117371
)	
THE COMMISSIONER OF BUSINESS)	STIPULATION TO ENTRY OF DESIST AND
OVERSIGHT,)	REFRAIN ORDER AND PAYMENT OF
)	PENALTIES
Complainant,)	
)	
vs.)	
)	
WILLOW BEND MORTGAGE COMPANY,)	
LLC (formerly doing business as WILLOW)	
BEND MORTGAGE COMPANY),)	
)	
Respondent.)	

In compliance with the Order Conditionally Granting Petition For Reinstatement (California Government Code section 11522) (Reinstatement Order) issued on February 12, 2015, this Stipulation to Entry of Desist and Refrain Order and Payment of Penalties (Stipulation) is entered into by and between the Commissioner of Business Oversight (Commissioner), on the one hand, and

1 Willow Bend Mortgage Company, LLC (formerly doing business as Willow Bend Mortgage
2 Company, a Texas corporation) (hereafter Respondent), on the other hand (Parties).

3 RECITALS

4 This Stipulation is made with reference to the following facts:

5 A. On August 10, 2004, Respondent first became licensed (License No. 413-0600)
6 (NMLS No. 117371) pursuant to the California Residential Mortgage Lending Act (CRMLA)
7 (Fin. Code §, 50000 et seq.) to engage in the business of a residential mortgage lender in this
8 state from its main office located at 5800 West Plano Parkway, Suite 105, Plano, Texas, 75093.

9 B. William C. Shaddock is the Manager and a control person of Respondent and, as
10 such, is authorized to enter into this Stipulation on behalf of Respondent.

11 C. On November 5, 2008, the Commissioner issued an order, to become effective
12 December 8, 2008, summarily revoking the CRMLA license of Respondent for failure to pay its
13 annual assessment pursuant to Financial Code section 50401 (all further statutory references are
14 to the Financial Code unless otherwise indicated).

15 D. On or about July 18, 2013, Respondent filed a Petition for Reinstatement of
16 License pursuant to Government Code section 11522 (Petition).

17 E. On February 12, 2015, the Commissioner issued an order conditionally granting
18 reinstatement of Respondent's CRMLA license provided that, within 45 days of the order,
19 Respondent agreed to:

20 (1) Pay penalties in an amount up to \$2,500.00 for each residential mortgage loan that the
21 Commissioner determined that Respondent had made or serviced in California without first obtaining
22 a license from the Commissioner then in effect, or being otherwise exempt, and,

23 (2) Stipulate to the entry of a final Desist and Refrain Order issued pursuant to section 50320
24 for engaging in the business of making or servicing a residential mortgage loan in this state in
25 violation of section 50002.

26 F. The Commissioner is of the opinion that after its CRMLA license was revoked on
27 December 8, 2008, Respondent continued to engage in the business of a residential mortgage lender
28 by making at least 41 residential mortgage loans in this state in violation of section 50002.

1 G. It is the intention and desire of the Parties to resolve this matter without the
2 necessity of a hearing and/or other litigation.

3 NOW, THEREFORE, for good and valuable consideration, and the terms and conditions
4 set forth herein, the Parties agree as follows:

5 TERMS AND CONDITIONS

6 1. Respondent stipulates to the issuance of the Desist and Refrain Order issued pursuant
7 to section 50320, in the form attached hereto as Exhibit A, directing Respondent to desist and refrain
8 from engaging in the business of making or servicing a residential mortgage loan in this state in
9 violation of section 50002. Respondent agrees that the delivery by certified mail of the executed
10 Desist and Refrain Order issued by the Commissioner to the address set forth in Paragraph A above
11 shall constitute valid service of the Desist and Refrain Order.

12 2. Respondent hereby waives all rights to any hearing or appeal of the Desist and Refrain
13 Order.

14 3. Respondent agrees that the Commissioner shall not reinstate its CRMLA license
15 unless it pays penalties to the Commissioner totaling \$82,000.00, no later than 15 days after the date
16 of this Stipulation. Payment shall be in the form of a cashier's check payable to the "Department of
17 Business Oversight" and mailed to the attention of Senior Counsel Miranda LeKander, 1515 K Street,
18 Suite 200, Sacramento, California, 95814. Respondent further agrees that failure to timely pay the
19 penalties set forth in this paragraph shall result in summary denial of its Petition.

20 4. Respondent acknowledges that remedies for violations of the CRMLA are not
21 exclusive and may be sought and employed in any combination to enforce the purpose and provisions
22 of this law.

23 5. Respondent agrees that nothing in this Stipulation shall preclude the Commissioner, or
24 her agents or employees, to the extent authorized by law, from assisting or cooperating in any
25 investigation and/or action brought by any other federal, state or county agency. Respondent further
26 agrees that this Stipulation shall not bind or otherwise prevent any other federal, state or county
27 agency from the performance of its duties.
28

1 6. Respondent has obtained the advice of legal counsel, and enters into this Stipulation
2 voluntarily and without coercion and acknowledges that no promises, threats or assurances have been
3 made by the Commissioner or any officer, or agent thereof, about this Stipulation.

4 7. Respondent acknowledges that this Stipulation and the Exhibit attached thereto are a
5 public record.

6 8. Respondent and the Commissioner agree that this Stipulation may be executed in one
7 or more separate counterparts, each of which when so executed, shall be deemed an original. Such
8 counterparts shall together constitute and be one and the same instrument.

9
10 Dated: 5/26/15

JAN LYNN OWEN
Commissioner of Business Oversight

11
12 By _____
13 Mary Ann Smith
14 Deputy Commissioner

15 WILLOW BEND MORTGAGE COMPANY, LLC

16
17 Dated: 5/20/15

18 By _____
19 William C. Shaddock, Manager
20 On behalf of Willow Bend Mortgage Company, LLC
(formerly doing business as Willow Bend Mortgage Company)

21 Approved as to Form and Content

22 Dated: ~~_____~~ 5/19/15

23 By _____
24 Thomas L. King, Esq.
25 Robertson Anschutz Veters
26 Attorneys on behalf of Willow Bend Mortgage Company, LLC
27 (formerly doing business as Willow Bend Mortgage Company)
28