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8 Attorneys for Complainant

10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA

12 In the Matter of: ) CFL License No.: 60DBO-91481  
13 THE COMMISSIONER OF BUSINESS )  
14 OVERSIGHT, ) CONSENT ORDER  
15 Complainant, )  
16 v. )  
17 BROOKLINE LLC, )  
18 Respondent. )  
19 \_\_\_\_\_ )

21 The Commissioner of Business Oversight (Commissioner) and Brookline LLC (Brookline),  
22 (collectively, Parties), enter into this Consent Order with respect to the following facts:

23 RECITALS

24 A. The Commissioner has jurisdiction over the licensing and regulation of persons and entities  
25 engaged in the business of making consumer and commercial loans pursuant to the California  
26 Financing Law (CFL) (Fin. Code, § 22000 et seq.).

27 B. Brookline is a finance lender that was licensed by the Commissioner from November 16, 2018  
28 to December 29, 2019 (CFL License No. 60DBO-91481). Brookline has its principal office located at

1 60 Broad Street, Suite 2404, New York, New York 10004.

2 C. Brookline has no branch locations in California.

3 D. Christopher Carpenter is a managing director and a control person of Brookline and, as such,  
4 is authorized to enter into this Consent Order on Brookline's behalf.

5 E. In accordance with Financial Code section 22107, each finance lender, broker, or program  
6 administrator licensee shall pay to the Commissioner its pro rata share of all costs and expenses,  
7 including the costs and expenses associated with the licensing of mortgage loan originators it  
8 employs, reasonably incurred in the administration of this division, as estimated by the  
9 Commissioner, for the ensuing year and any deficit actually incurred or anticipated in the  
10 administration of the program in the year in which the assessment is made. CFL licensees must pay  
11 the annual assessment on or before the 31st day of October each year.

12 F. Pursuant to Financial Code section 22153, a licensee is required to submit a change of address  
13 form 10 days prior to an address change.

14 G. On September 30, 2019, the Commissioner sent Brookline the Assessment Notice per invoice  
15 number CF0575. The notice was mailed to the address Brookline registered with the Department  
16 (Registered Address): 89 Shawn Drive, Bristol, Connecticut 06010. The notice stated that the annual  
17 assessment would become delinquent if not paid by October 31, 2019.

18 H. As of October 31, 2019, Brookline had not paid its annual assessment. The failure to pay the  
19 annual assessment on or before October 31, 2019 represents a violation of Financial Code section 22107.

20 I. As of November 6, 2019, Brookline had not paid its annual assessment. As a result, the  
21 Commissioner sent to Brookline's Registered Address a Notice of Unpaid Assessment on November  
22 6, 2019. The notice warned that failure to pay the assessment would result in summary revocation of  
23 Brookline's license. Brookline did not respond to the Commissioner's notice.

24 J. As of December 6, 2019, Brookline had not paid its annual assessment. As a result, on  
25 December 6, 2019, the Commissioner issued an Order Summarily Revoking California Financing  
26 Law License Pursuant to Financial Code Section 22107 for CFL License Number 60DBO-91481  
27 (Revocation Order). The Department mailed the Revocation Order to Brookline's Registered Address  
28 along with notice that it would become effective December 30, 2019 unless payment of the annual

1 assessment was received by close of business on December 27, 2019.

2 K. As of December 27, 2019, the assessment remained unpaid. As such, the Revocation Order  
3 became effective December 30, 2019.

4 L. Brookline stated that it did not receive the notices or the Revocation Order because it failed to  
5 properly notify the Commissioner that it had changed its place of business to a street address other than  
6 that designated on its license, as required by Financial Code section 22153.

7 M. Brookline admits to the jurisdiction of the Commissioner and it is the intention of the parties to  
8 resolve this matter without the necessity of a hearing and/or other litigation.

9 N. The Commissioner finds that entering into this Consent Order is in the public interest and  
10 consistent with the purposes fairly intended by the CFL.

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

13 TERMS

14 1. Purpose. This Consent Order resolves the issues before the Commissioner described  
15 above in a manner that avoids the expense of a hearing and other possible court proceedings,  
16 protects consumers, is in the public interest, and is consistent with the purposes, policies, and  
17 provisions of the CFL.

18 2. Desist and Refrain Order. Pursuant to Financial Code section 22712, Brookline is hereby  
19 ordered to desist and refrain from failing to timely pay the annual assessment in violation of  
20 Financial Code section 22107.

21 3. Order Rescinding Revocation Order(s). The Commissioner hereby rescinds the  
22 Revocation Order, which was issued on December 6, 2019, and became effective on December 30,  
23 2019, as of the effective date of revocation.

24 4. Order to Pay Annual Assessment. Pursuant to Financial Code section 22107, the  
25 Commissioner hereby orders Brookline to pay \$250.00 to the Department of Business Oversight for  
26 the 2019 – 2020 annual assessment. The annual assessment shall be paid to the Commissioner within  
27 30 days of the Effective Date of this Consent Order as defined in paragraph 23. The annual  
28 assessment shall be labeled “2019 – 2020 annual assessment” and made payable in the form of a

1 cashier's check or Automated Clearing House deposit to the "Department of Business Oversight,"  
2 and transmitted to the attention of:

3         ATTN: Accounting  
4         Department of Business Oversight  
5         1515 K Street, Suite 200  
6         Sacramento, California 95814

7         Notice of payment shall be made via email to Trevor Carroll, Counsel at Department of  
8         Business Oversight, at trevor.carroll@dbo.ca.gov.

9         5. Administrative Penalties and Fines. Brookline shall pay administrative fines and penalties  
10         in the amount of \$2,500.00 for the violations of the CFL enumerated herein. All fines and penalties  
11         shall be labeled "fines and penalties" and made payable in the form of a cashier's check or  
12         Automated Clearing House deposit to the "Department of Business Oversight," and transmitted to  
13         the attention of:

14         ATTN: Accounting – Litigation  
15         Department of Business Oversight  
16         1515 K Street, Suite 200  
17         Sacramento, California 95814

18         Notice of payment shall be made via email to Trevor Carroll, Counsel at Department of  
19         Business Oversight, at trevor.carroll@dbo.ca.gov.

20         6. Waiver of Hearing Rights. Brookline acknowledges that the Commissioner is ready,  
21         willing, and able to proceed with the filing of an administrative enforcement action on the charges  
22         contained in this Consent Order. Brookline hereby waives the right to any hearings, and to any  
23         reconsideration, appeal, or other right to review which may be afforded pursuant to the CFL, the  
24         California Administrative Procedure Act, the California Code of Civil Procedure, or any other  
25         provision of law. Brookline further expressly waives any requirement for the filing of an Accusation  
26         pursuant to Government Code section 11415.60, subdivision (b). By waiving such rights, Brookline  
27         effectively consents to this Consent Order and Desist and Refrain Order becoming final.

28         7. Failure to Comply with Consent Order. Brookline agrees that if it fails to comply with  
the terms of this Consent Order, the Commissioner may, in addition to all other available remedies it  
may invoke under the CFL, summarily suspend or revoke the CFL license of Brookline until

1 Brookline is in compliance. Brookline waives any notice and hearing rights to contest such summary  
2 suspension which may be afforded under the CFL, the California Administrative Procedure Act, the  
3 California Code of Civil Procedure, or any other provision of law in connection therewith.

4 8. Information Willfully Withheld or Misrepresented. This Consent Order may be revoked  
5 and the Commissioner may pursue any and all remedies available under law against Brookline if the  
6 Commissioner discovers that Brookline knowingly or willfully withheld or misrepresented  
7 information used for and relied upon in this Consent Order.

8 9. Future Actions by the Commissioner. If Brookline fails to comply with any terms of the  
9 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise  
10 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions  
11 against Brookline, or any of its partners, owners, officers, shareholders, directors, employees or  
12 successors for any and all unknown violations of the CFL.

13 10. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner's  
14 ability to assist any other government agency (city, county, state, or federal) with any prosecution,  
15 administrative, civil or criminal brought by that agency against Brookline or any other person based  
16 upon any of the activities alleged in this matter or otherwise.

17 11. Headings. The headings to the paragraphs of this Consent Order are inserted for  
18 convenience only and will not be deemed a part hereof or affect the construction or interpretation of  
19 the provisions hereof.

20 12. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in  
21 interest.

22 13. Reliance. Each of the parties represents, warrants, and agrees that in executing this  
23 Agreement it has relied solely on the statements set forth herein and the advice of its own counsel.  
24 Each of the parties further represents, warrants, and agrees that in executing this Agreement it has  
25 placed no reliance on any statement, representation, or promise of any other party, or any other  
26 person or entity not expressly set forth herein, or upon the failure of any party or any other person or  
27 entity to make any statement, representation or disclosure of anything whatsoever. The parties have  
28 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to

1 execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret,  
2 supplement, or contradict the terms of this Agreement.

3 14. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of  
4 this Consent Order will be valid or binding unless it is in writing and signed by each of the parties.  
5 The waiver of any provision of this Consent Order will not be deemed a waiver of any other  
6 provision. No waiver by either party of any breach of, or of compliance with, any condition or  
7 provision of this Consent Order by the other party will be considered a waiver of any other condition  
8 or provision or of the same condition or provision at another time.

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

15 16. Governing Law. This Consent Order will be governed by and construed in accordance  
16 with California law. Each of the parties hereto consents to the jurisdiction of such court, and hereby  
17 irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to  
18 the maintenance of such action or proceeding in such court.

19 17. Counterparts. This Consent Order may be executed in one or more separate counterparts,  
20 each of which when so executed, shall be deemed an original. Such counterparts shall together  
21 constitute a single document.

22 18. Effect Upon Future Proceedings. If Brookline applies for any license, permit, or  
23 qualification under the Commissioner's current or future jurisdiction, or is the subject of any future  
24 action by the Commissioner to enforce this Consent Order, then the subject matter hereof shall be  
25 admitted for the purpose of such application(s) or enforcement proceedings(s).

26 19. Voluntary Agreement. Brookline enters this Consent Order voluntarily and without  
27 coercion and acknowledges that no promises, threats or assurances have been made by the  
28 Commissioner or any officer, or agent thereof, about this Consent Order. The parties each represent

1 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and  
2 without any duress or undue influence of any kind from any source.

3 20. Notice. Any notice required under this Consent Order be provided to each party at the  
4 following addresses:

5 To Brookline LLC:

6 Christopher Carpenter, Managing Director  
7 Brookline LLC  
8 60 Broad Street, Suite 2404  
9 New York, New York 10004  
10 chris@lilogy.com

11 To the Commissioner:

12 Trevor J. Carroll, Counsel  
13 Department of Business Oversight  
14 Enforcement Division  
15 1515 K Street, Suite 200  
16 Sacramento, California 95814  
17 trevor.carroll@dbo.ca.gov

18 21. Signatures. A fax or electronic mail signature shall be deemed the same as an original  
19 signature.

20 22. Public Record. Brookline hereby acknowledges that this Consent Order is and will be a  
21 matter of public record.

22 23. Effective Date. This Consent Order shall become final and effective when signed by all  
23 parties and delivered by the Commissioner's agent via email to Brookline's representative, at  
24 chris@lilogy.com.

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24. Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Consent Order and undertake the obligations set forth herein.

Dated: February 27, 2020

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division

Dated: February 21, 2020

By \_\_\_\_\_  
BROOKLINE LLC

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