| 1<br>2<br>3 | MARY ANN SMITH Deputy Commissioner Department of Financial Protection and Innovati 320 West 4 <sup>th</sup> Street, Suite 750 Los Angeles, California 90013 | ion  |  |
|-------------|---|--|--|
| 4           | Attorney for Complainant  |  |  |
| 5           |   | NOVA PROTECTION AND BUNGLATION   |  |
| 6           | BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  |  |  |
| 7           | OF THE STATE OF CALIFORNIA  |  |  |
| 8           | In the Metter of  | CDMI A LICENCE NO . 41DDO 175925   |  |
| 9           | In the Matter of:   | ) CRMLA LICENSE NO.: 41DBO-175835  |  |
| 10          | THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,  | )  |  |
| 11   12     | Complainant,  | <ul><li>) NOTICE OF INTENTION TO ISSUE ORDER</li><li>) REVOKING CALIFORNIA RESIDENTIAL</li></ul> |  |
| 13          |   | ) MORTGAGE LENDING AND/OR  |  |
| 14          | SHAMROCK HOME LOANS, INC.,  | ) SERVICING LICENSE<br>)   |  |
| 15          | Respondent.   | )  |  |
| 16          | Pursuant to Financial Code section 50327 of the California Residential Mortgage Lending   |  |  |
| 17          | Act (Fin. Code, § 50000 et seq.), notice is hereby given of the intention of the Commissioner of  |  |  |
| 18          | Financial Protection and Innovation to enter an Order revoking Respondent, Shamrock Home  |  |  |
| 19          | Loans, Inc.'s residential mortgage lender license.  |  |  |
| 20          | The attached Accusation, which is incorporated herein by this reference, states the reasons   |  |  |
| 21          | for the intended Order.   |  |  |
| 22          | Unless a request for hearing, as evidenced by the mailing or delivery of the Notice of  |  |  |
| 23          | Defense, is received within 15 days after the Accusation was personally served upon you or mailed   |  |  |
| 24          | to you, such Order may be entered at any time thereafter without a hearing.   |  |  |
| 25          |   |  |  |
| 26          | , ·   | IILDE V. HEWLETT ssioner of Financial Protection and Innovation                                  |  |
| 27          | By  |  |  |
| 28          | MEIRCEE BOULAHROUD  |  |  |
|             |   | ncial Institutions Manager<br>Fornia Residential Mortgage Lending Act                            |  |
|             |   | 1  |  |

| 1  | MARY ANN SMITH Deputy Commissioner   |  |
|----|--|--|
| 2  | Department of Financial Protection and Innovation 320 West 4 <sup>th</sup> Street, Suite 750   |  |
| 3  | Los Angeles, California 90013  |  |
| 4  | Attorney for Complainant   |  |
| 5  | BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA  |  |
| 6  |  |  |
| 7  |  |  |
| 8  | In the Matter of:  Output  Output  Description:  Output  Descripti |  |
| 9  | )  |  |
| 10 | THE COMMISSIONER OF FINANCIAL ) PROTECTION AND INNOVATION, )   |  |
| 11 |  |  |
| 12 | Complainant, ) ACCUSATION )  |  |
| 13 | v. )   |  |
| 14 | SHAMROCK HOME LOANS, INC.,   |  |
| 15 | Respondent.  |  |
| 16 |  |  |
| 17 |  |  |
| 18 |  |  |
| 19 | The Complainant, the Commissioner of Financial Protection and Innovation   |  |
| 20 | (Commissioner) is informed and believes, and based upon such information and belief, alleges and   |  |
| 21 | charges Respondent Shamrock Home Loans, Inc. (Respondent) as follows:  |  |
| 22 | I.   |  |
| 23 | <u>Introduction</u>  |  |
| 24 | 1. The Commissioner is authorized to administer and enforce the provisions of the  |  |
| 25 | California Residential Mortgage Lending Act (Fin. Code, § 50000 et seq.) (CRMLA) and the rules   |  |
| 26 | and regulations promulgated thereunder.  |  |
| 27 | 2. Respondent is a residential mortgage lender licensed by the Commissioner pursuant   |  |
| 28 | to the CRMLA. Respondent's principal place of business is 75 Newman Avenue, East Providence,   |  |
|    | Rhode Island 02916.  |  |
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- 3. Pursuant to Financial Code section 50205, residential mortgage lender is required to maintain a surety bond. 4. On or around October 19, 2023 the Commissioner received notice that Respondent's surety bond would expire on October 30, 2023. 5. On or around November 6, 2023, the Commissioner notified Respondent through the Nationwide Mortgage Licensing System (NMLS) and a letter that a replacement surety bond had to be filed no later than the cancellation date to avoid suspension or revocation of its residential mortgage lender license. 6. Respondent's surety bond expired on October 30, 2023. 7. Respondent has yet to replace or reinstate its surety bond in violation of Financial Code section 50205. II. Law 8. Financial Code section 50205 provides, in pertinent part:
  - (a) A residential mortgage lender or servicer licensee shall maintain a surety bond in accordance with this subdivision. The bond shall be used for the recovery of expenses, fines, and fees levied by the commissioner in accordance with this division or for losses or damages incurred by borrowers or consumers as the result of a licensee's noncompliance with the requirements of this division. The bond shall be payable when the licensee fails to comply with a provision of this division and shall be in the amount of fifty thousand dollars (\$50,000), and may be increased by order of the commissioner to one hundred thousand dollars (\$100,000) upon a determination by the commissioner that the licensee is not in compliance with any provision of this chapter or any rule or order adopted or issued by the commissioner to implement or enforce provisions of this chapter. The bond shall be payable to the commissioner and issued by an insurance company authorized to do business in this state. An original surety bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be filed with the commissioner within 10 days of its execution.
  - (b) ... Failure to file a new bond within 10 days of the recovery on a bond, or within 10 days after notification by the commissioner that a new bond is required, constitutes sufficient grounds for the suspension or revocation of the license.

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| 2   3   4   5   6   7   8   9   10   11   12 | employing one or more mortgage loan originators, based on the dollar amount of residential mortgage loans originated by that licensee and any mortgage loan originators employed by that licensee. Every mortgage loan originator employed by the licensee shall be covered by the surety bond.  9. Financial Code section 50327 provides:  (a) The commissioner may, after notice and a reasonable opportunity to be heard, deny, decline to renew, suspend, or revoke any license if the commissioner finds that:  (1) The licensee has violated any provision of this division or any rule or order of the commissioner thereunder.  (2) Any fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.  (b) The power of investigation and examination by the commissioner is not terminated by the denial, nonrenewal, surrender, suspension, or revocation of any license issued by him or her. |  |
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| 13   | III.   |  |
| 4  | Conclusion   |  |
| 5  | The Commissioner finds that, by reason of the foregoing, Respondent has violated Financial   |  |
| 16   | Code section 50205, and based thereon, grounds exist to revoke Respondent's residential mortgage   |  |
| 17   | lender license.  |  |
| 18   | WHEREFORE, IT IS PRAYED that Shamrock Home Loans, Inc.'s residential mortgage  |  |
| 9  | lender license be revoked.   |  |
| 20   |  |  |
| 21   22                                      | Dated: November 27, 2023 Clothilde V. Hewlett Sacramento, CA Commissioner of Financial Protection and Innovation   |  |
| 23   | By   |  |
| 24   | MEIRCEE BOULAHROUD Financial Institutions Manager  |  |
| 25   | California Residential Mortgage Lending Act  |  |
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(c) The commissioner may by rule require a higher bond amount for a licensee