

1 CLOTHILDE V. HEWLETT
Commissioner
2 MARY ANN SMITH
Deputy Commissioner
3 DANIEL P. O'DONNELL
Assistant Chief Counsel
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5 Department of Financial Protection and Innovation
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6 Sacramento, California 95834
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8 Attorneys for Complainant

9 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
10 OF THE STATE OF CALIFORNIA

11 In the Matter of:) NMLS ID NO.: 2477648
12 THE COMMISSIONER OF FINANCIAL)
13 PROTECTION AND INNOVATION,) CONSENT ORDER
14 Complainant,)
15 v.)
16 ROCKPORT MORTGAGE)
17 CORPORATION,)
18 Respondent.)

19
20 The Commissioner of Financial Protection and Innovation (Commissioner) on the one hand,
21 and Rockport Mortgage Corporation (Respondent), on the other hand (collectively, the Parties),
22 enter into this Consent Order (Consent Order) with respect to the following facts:

23 **I.**

24 **RECITALS**

25 A. The Commissioner has jurisdiction over the licensing and regulation of persons
26 engaged in the business of finance lending and/or brokering under the California Financing Law
27 (CFL). Cal. Fin. Code § 22000 et seq.

1 3. Penalty. Respondent shall pay an administrative penalty of \$10,000.00 (Penalty) to
2 the Commissioner. Payment of the Penalty shall be made no more than 30 calendar days after the
3 Effective Date of this Consent Order. The Penalty payments should be made in the form of
4 Automated Clearing House deposit or cashier’s check payable to the “Department of Financial
5 Protection and Innovation” and transmitted to the attention of “Accounting – Litigation” at
6 Department of Financial Protection and Innovation, 2101 Arena Boulevard, Sacramento, California
7 95834-2036. Notice of such Penalty payment shall be forwarded to Noah M. Bean, Senior Counsel,
8 at the e-mail address noted in Paragraph 19. Respondent shall relinquish all dominion, control, and
9 title to the Penalty to the fullest extent permitted by law and no part of the Penalty may be returned
10 to Respondent.

11 4. Issuance of CFL License. As of the Effective Date of this Consent Order, the
12 Commissioner shall approve Respondent’s CFL license application. The issuance of a lending
13 license does not mean the Commissioner has concluded that Respondent’s prior activities or
14 products subject to the CFL, or the prior activities or products subject to the CFL of an affiliate of
15 Respondent, complied with the CFL or any other provision of law in connection therewith.

16 5. Full and Final Settlement. The Parties hereby acknowledge and agree that this
17 Consent Order is intended to constitute a full, final, and complete resolution of the Findings, and
18 that no further proceedings or actions will be brought by the Commissioner in connection with the
19 Findings under the CFL or any other provision of law, excepting therefrom any proceeding to
20 enforce compliance with the terms of this Consent Order.

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

1 7. Failure to Comply with Consent Order. Respondent agrees that if it fails to comply
2 with the terms of this Consent Order, the Commissioner may avail herself of all other remedies
3 available to her pursuant to the CFL, the California Administrative Procedure Act, the California
4 Code of Civil Procedure, or any other provision of law in connection therewith until Respondent is
5 in compliance.

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

10 9. Future Actions by Commissioner. If Respondent fails to comply with any terms of
11 the Consent Order, the Commissioner may institute proceedings for any and all violations otherwise
12 resolved under this Consent Order except insofar as Respondent’s obligations hereunder have been
13 otherwise performed. The Commissioner reserves the right to bring any future actions against
14 Respondent, or any of Respondent’s partners, owners, officers, shareholders, directors, employees
15 or successors for any and all unknown violations of law.

16 10. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s
17 ability to assist a government agency (whether city, county, state, or federal) with any
18 administrative, civil, or criminal prosecutions brought by that agency against Respondent, or any
19 other person based upon any of the activities alleged in this matter or otherwise.

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

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

25 13. Reliance. Each of the Parties represents, warrants, and agrees that in executing this
26 Consent Order it has relied solely on the statements set forth herein and the advice of its own
27 counsel. Each of the Parties further represents, warrants, and agrees that in executing this Consent
28 Order it has placed no reliance on any statement, representation, or promise of any other party, or

1 any other person or entity not expressly set forth herein, or upon the failure of any party or any other
2 person or entity to make any statement, representation or disclosure of anything whatsoever. The
3 Parties have included this clause: (1) to preclude any claim that any party was in any way
4 fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of parol
5 evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

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

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

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

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

25 18. Effect Upon Future Proceedings. If Respondents, or any other entity controlled by
26 Respondent, applies for any license, permit or qualification under the Commissioner's current or
27 future jurisdiction, or is the subject of any future action by the Commissioner to enforce this Consent
28 Order, then the subject matter hereof shall be admitted for the purpose of such application(s) or

1 proceeding(s). Notwithstanding the foregoing, if Respondent, or any other entity controlled by
2 Respondent, applies to the Commissioner for a license, permit or qualification, the Commissioner
3 shall not deny such license, permit, or qualification solely due to the existence of this Consent Order
4 or the Findings contained therein.

5 19. Voluntary Agreement. Respondent enters into this Consent Order voluntarily and
6 without coercion and acknowledges that no promises, threats or assurances have been made by the
7 Commissioner or any officer, or agent thereof, about this Consent Order. The Parties each represent
8 and acknowledge that it is executing this Consent Order completely voluntarily and without any
9 duress or undue influence of any kind from any source.

10 20. Notice. Any notice required under this Consent Order shall be provided to each party
11 at the following addresses.

- 12
- 13 i. Sherry-Maria Safchuk
14 Orrick Herrington & Sutcliffe LLP, Partner
15 631 Wilshire Boulevard, Suite 2-C
16 Santa Monica, CA 90401
17 ssafchuk@orrick.com
- 18 ii. To the Commissioner:
19 Noah M. Bean, Senior Counsel
20 Department of Financial Protection and Innovation
21 2101 Arena Boulevard
22 Sacramento, California 95834
23 Noah.Bean@dfpi.ca.gov

24 21. Signatures. A fax or electronic signature shall be deemed the same as an original
25 signature.

26 22. Public Record. Respondent hereby acknowledges that this Consent Order is and will
27 be a matter of public record.

28 23. Effective Date. This Consent Order shall become final and effective when signed by
all Parties and delivered by the Commissioner’s agent via e-mail to Respondent at
ssafchuk@orrick.com.

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

Dated: December 26, 2023
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: December 21, 2023

ROCKPORT MORTGAGE CORPORATION

By: _____
DANIEL P. LYONS
President