PRESTON DUFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, v. AMERICAN LENDING GROUP, INC. doing business as AVANT LENDING GROUP, INC., Respondent.	OAH Case No.: 2010110181 File No.: 413-0538 **SETTLEMENT AGREEMENT**

This Settlement Agreement is entered into between American Lending Group, Inc. doing business as Avant Lending Group, Inc. ("Avant" or, alternatively, "Respondent") and the California Corporations Commissioner ("Commissioner" or, alternatively, "Complainant") (together, the "Parties"), and is made with respect to the following facts.

RECITALS

A. On or about April 8, 2004, the Commissioner issued a residential mortgage lender license to Avant pursuant to the California Residential Mortgage Lending Act (Fin. Code, § 50000 *et seq.*) ("CRMLA"). Avant is a Missouri corporation, first registered with the California Secretary of State

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on March 19, 2002. Avant last reported to the Commissioner that it has its principal place of business at 22 Richmond Center Court, St. Peters, Missouri, 63376.

B. On or about October 21, 2010, the Commissioner issued a Notice of Intention and Accusation against Avant seeking to revoke its residential mortgage lender license. The Notice of Intention, Accusation, and accompanying documents were served on Avant on October 25, 2010 by certified, return receipt mail at its address on file with the California Department of Corporations ("Department"). (Exhibit 1.)

C. On or about November 1, 2010, Avant's president, Warin Kumar, advised the Commissioner verbally and in writing that Avant's intention was to surrender its California residential mortgage lender license to the Department.

D. On or about November 2, 2010, Avant served the Commissioner with its Notice of Defense; and, the Commissioner timely submitted a Request to Set to the Office of Administrative Hearings in accordance with the California Administrative Procedures Act.

E. On or about November 12, 2010, the Notice of Administrative Hearing set for December 27, 2010 was served on Avant by certified, return receipt mail at its address on file with the Department.

F. During the present action, the Commissioner learned that Avant's qualification to transact business in the State of California had been forfeited by the Franchise Tax Board on May 3, 2010. The California Secretary of State issued a Certificate of Status disclosing that, as of December 16, 2010, Avant remained a suspended corporation due to failure to pay its California franchise tax.

G. Avant has been unable to submit a proposed plan of surrender for the Commissioner's consideration because the licensee is not in compliance with the CRMLA due to various reporting, bonding, and annual assessment violations and failure to properly transition into the National Mortgage Licensing System and Registry ("NMLS"), as further described in the Accusation the Commissioner filed in this matter on October 21, 2010. (Exhibit 1.)

H. It is the intention of the Parties to resolve this matter without the necessity of an administrative hearing or any other litigation.

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

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TERMS AND CONDITIONS

1. This Agreement is entered into for the purpose of judicial economy and expediency.

2. Avant acknowledges its right to a hearing under the CRMLA in connection with the Commissioner's Notice referenced herein (Exhibit 1), and it hereby waives the right to any appeal, or other right to review, if any, which may be afforded pursuant to the CRMLA, the California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law, and by waiving such rights, it consents to the Agreement as final.

3. Each of the Parties represents, warrants, and agrees that it has received or been advised to seek independent legal advice from an attorney with respect to the advisability of executing this Agreement. Avant acknowledges that it has willingly and knowingly decided to not seek the advice of legal counsel prior to entering into this Agreement.

4. Section 50123 of the CRMLA sets forth the license surrender process, which includes the filing of a plan for the withdrawal from regulated business. The plan must include a timetable for the disposition of the business and a closing audit, review, or other agreed upon procedures performed by an independent certified public accountant.

5. Due to Avant's failure to comply with the license surrender process and to satisfy all filing and reporting obligations imposed upon Avant as a licensee, the Commissioner is unable to accept surrender of Avant's license.

6. As part of a complete and final resolution of the matters set forth in the Notice as well as the other issues noted herein, Avant hereby agrees to the immediate issuance by the Commissioner of an order revoking Avant's residential mortgage lender license, attached herein as Exhibit 2.

7. The Commissioner reserves the right to bring any future actions against Avant, or any of its officers, employees or successors for any and all unknown or future violations of the CRMLA. This Agreement shall not serve to exculpate Avant or any of its partners, employees, or successors from liability for any and all unknown or future violations of the CRMLA. If it is found, after the execution of this Agreement, that Avant has at any time violated any provision of the California Financial Code, the Commissioner reserves the right to take further action against Avant including,

but not limited to, imposing penalties and requesting restitution of all CRMLA transactions originated in breach of this Agreement.

8. The Parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of all matters which were or could have been raised in the Commissioner's Notice against Avant dated October 21, 2010 (Exhibit 1). The Parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agencies with any administrative, civil or criminal prosecution brought by any such agency against Avant based upon any of the activities alleged in this matter or otherwise.

9. Avant represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

10. This Agreement, including the attached exhibits, is the final written expression and the complete and exclusive statement of all the Agreements, conditions, promises, representations, and covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous Agreements, negotiations, representations, understandings, and discussions between and among the Parties, their respective representatives, and any other person or entity.

11. In that the Parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected, to, or involving this Agreement. Accordingly, the Parties waive the benefit of California Civil Code section 1654 and any successor or amended statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.

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12. This Agreement shall not be effective until executed by all Parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings five (5) business days after execution by all Parties.

13. This Agreement may be executed in any number of counterparts by the Parties and when each party has signed and delivered at least one such counterpart to the other party, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement.

14. No amendment, change or modification of this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of the Parties affected by it.

15. The headings to the sections of this Agreement are inserted for convenience only and will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof. This Agreement shall be construed and enforced in accordance with and governed by California law.

16. Each party covenants that it possesses all necessary capacity and authority to sign and enter into this Agreement. Each party warrants and represents that such party is fully entitled and duly authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of the foregoing, each party warrants and represents that it is fully entitled to enter into the covenants, and undertake the obligations set forth herein.

17. The Parties each represent and acknowledge that it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

18. Avant acknowledges that this Agreement is a public record.

19. This Agreement shall not become effective until signed and delivered by the Parties.

20. Notice shall be provided to each party at the following addresses:

If to Respondent to:

Warin Kumar, President
American Lending Group, Inc. dba
Avant Lending Group, Inc.
10 Richmond Center Court
St. Peters, Missouri 63376

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If to the Commissioner to:

Miranda Maison, Senior Corporations Counsel
Department of Corporations
1515 K Street, Suite 200
Sacramento, California 95814

IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on the dates set forth opposite their respective signatures.

Dated: ____12/24/10_____ PRESTON DuFAUCHARD
California Corporations Commissioner

By_____

ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

Dated: ____12-23-2010__ By_____

WARIN KUMAR
President
American Lending Group, Inc. dba Avant Lending Group, Inc.

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