

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
2 ALAN S. WEINGER  
Acting Deputy Commissioner  
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San Diego, California 92101  
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8 BEFORE THE DEPARTMENT OF CORPORATIONS  
9 OF THE STATE OF CALIFORNIA

10	THE CALIFORNIA CORPORATIONS	)	File No.: 413-0159
11	COMMISSIONER,	)	
12	Complainant,	)	<b>ORDER REVOKING RESIDENTIAL</b>
13		)	<b>MORTGAGE LENDER AND</b>
14	v.	)	<b>RESIDENTIAL MORTGAGE LOAN</b>
15	DELTA FUNDING CORPORATION doing	)	<b>SERVICER LICENSE</b>
16	business as FIDELITY MORTGAGE,	)	
17	Respondent.	)	
18		)	
19		)	

20 The Complainant, California Corporations Commissioner ("Commissioner"), finds:

- 21 1. Respondent Delta Funding Corporation doing business as Fidelity Mortgage
- 22 ("Respondent") has a residential mortgage lender and residential mortgage loan servicer license
- 23 ("License") issued by the California Department of Corporations pursuant to the California
- 24 Residential Mortgage Lending Act ("CRMLA") (California Financial Code sections 50000 *et seq.*).
- 25 Respondent has its principal place of business located at 1000 Woodbury Road, Suite 200,
- 26 Woodbury, NY 11797.
- 27 2. Pursuant to Financial Code section 50200, Respondent was required to submit an
- 28 annual audit report ("Audit Report") for its fiscal year ending on December 31, 2007 no later than

1 April 15, 2008. On or about December 17, 2007, the Commissioner notified Respondent in writing  
2 that it was required to file its Audit Report. On May 30, 2008, the Commissioner again notified  
3 Respondent in writing that it had failed to file its Audit Report. Respondent failed to file its Audit  
4 Report required by Financial Code section 50200.

5 3. Pursuant to Financial Code section 50307, 50401 and California Code of Regulations,  
6 title 10, section 1950.314.8, Respondent was required to file an annual Report of Principal Amount of  
7 Loans and Aggregate Amount of Loans Serviced ("Activity Report") on or before March 1st of each  
8 year for the preceding 12-month period ended December 31.

9 4. On February 1, 2008, an Activity Report form was sent to Respondent with a notice  
10 that its Activity Report was due on or before March 1, 2008. Respondent has yet to submit the  
11 Activity Report to the Commissioner.

12 5. On December 7, 2007, Respondent filed for Chapter 11 bankruptcy protection in the  
13 United States Bankruptcy Court for the District of Delaware. Due to the fact that Respondent filed  
14 bankruptcy, the Commissioner did not assess a penalty for non-filing of the Audit Report pursuant to  
15 Financial Code section 50326.

16 6. On September 8, 2008, the Commissioner filed and served the Accusation in Support  
17 of Revocation of Respondent's License, the Notice of Intention to Issue Order Revoking  
18 Respondent's License, and the accompanying documents (collectively, "Accusation").

19 7. On September 11, 2008, the Commissioner filed and served the Amended Accusation  
20 in Support of Revocation of Respondent's License, the Notice of Intention to Issue Order Revoking  
21 Respondent's License, and the accompanying documents (collectively, "Amended Accusation").

22 8. The Accusation and Amended Accusation were served by certified mail. The  
23 Commissioner received verification that Respondent received the Accusation and Amended  
24 Accusation on September 19 and September 22, 2008 respectively.

25 9. Respondent did not request a hearing and the time to request a hearing has expired.

26 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential  
27 mortgage lender and residential mortgage loan servicer license issued by the Commissioner to Delta  
28 Funding Corporation doing business as Fidelity Mortgage is hereby revoked. Pursuant to Financial

1 Code section 50311, Delta Funding Corporation doing business as Fidelity Mortgage be given a  
2 transition period of sixty days within which to complete any loans for which it had prior  
3 commitments.

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DATED: October 2, 2008  
Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Acting Deputy Commissioner