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California Corporations Commissioner
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Deputy Commissioner
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

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In the Matter of the Accusation of THE
11 CALIFORNIA CORPORATIONS
COMMISSIONER,

) File No.: 413-0458

12

Complainant,

) **ORDER REVOKING RESIDENTIAL
MORTGAGE LENDER AND LOAN
SERVICER LICENSE**

14

v.

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MYLOR FINANCIAL,

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Respondent.

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The California Corporations Commissioner finds:

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1. Respondent Mylor Financial is a residential mortgage lender and loan servicer
22 licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California
23 Residential Mortgage Lending Act (California Financial Code, § 50000, *et seq.*) ("CRMLA").
24 Pinnacle Financial has its principal place of business located at 215 Katherine Drive, Flowood,
Mississippi 39232.

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2. Pursuant to California Financial Code sections 50307 and 50401 and California Code
27 of Regulations, title 10, section 1950.314.8, Mylor Financial is required to file an annual (1) Report
28 of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report"), (2)

1 Report on Non-traditional, Adjustable Rate and Mortgage Loan Products (“Non-traditional Report”),
2 and (3) Non-traditional, Adjustable Rate and Mortgage Loan Survey (“Survey”) on or before March
3 1st of each year for the preceding 12-month period ended December 31.

4 3. On January 23, 2009, an Activity Report form, Non-traditional Report form and
5 Survey were sent to all CRMLA licensees with a notice that they were due on or before March 1,
6 2009. Mylor Financial has not yet submitted the Activity Report, the Non-traditional Report or the
7 Survey to the Commissioner.

8 4. On April 20, 2009, a letter was sent to Mylor Financial demanding that the Activity
9 Report be filed “within ten (10) days of the date of this letter.” Mylor Financial was notified in the
10 letter that failure to file the reports would result in administrative action.

11 5. Mylor Financial has yet to submit the Activity Report, Non-traditional Report or pay
12 the penalty as required by California Financial Code sections 50307, 50326, 50401 and California
13 Code of Regulations, title 10, section 1950.314.8.

14 6. Pursuant to California Financial Code section 50200, Mylor Financial was required to
15 submit its audited financial statement for its fiscal year ended December 31, 2008 ("Audit Report") to
16 the Commissioner on or before April 15, 2009, including a reconciliation of its trust accounts and an
17 Independent Auditor's Report on Internal Controls ("Report on Internal Controls") pursuant to the
18 California Code of Regulations, title 10, section 1950.200. Mylor Financial has not yet filed its Audit
19 Report, trust account reconciliation, or Report on Internal Controls with the Commissioner.

20 7. On December 23, 2008, the Department notified Mylor Financial in writing that its
21 Audit Report, trust account reconciliation, and Report on Internal Controls were due on or before
22 April 15, 2009. Mylor Financial was advised in the letter that failure to file these reports might
23 “result in fines in accordance with Financial Code section 50326, an immediate examination by the
24 Commissioner in accordance with Financial Code section 50307, and/or revocation of the license.”

25 8. Mylor Financial has yet to file its Audit Report, Non-traditional Report or Survey as
26 required by Financial Code sections 50200, 50307 and 50326.

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