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California Corporations Commissioner
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Deputy Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

9

OF THE STATE OF CALIFORNIA

10

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

) OAH No. L-2010101009

) File No.: 413-0350

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Complainant,

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

13

v.

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15 TAYLOR, BEAN & WHITAKER
MORTGAGE CORP.,

16

Respondent.

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19 The California Corporations Commissioner finds:

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21 1. Respondent Taylor, Bean & Whitaker Mortgage Corp. ("Taylor, Bean & Whitaker") is
22 a residential mortgage lender and mortgage loan servicer licensed by the California Corporations
23 Commissioner ("Commissioner") pursuant to the California Residential Mortgage Lending Act (Fin.
24 Code, §§ 50000 et seq.) ("CRMLA"). Taylor, Bean & Whitaker is a Florida corporation, authorized
25 to conduct business in California. Taylor, Bean & Whitaker has its principal place of business
26 located at 4901 Vineland Road, Suite 120, Orlando, Florida 32811.

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28 2. Pursuant to California Financial Code sections 50307 and 50401, and California Code
of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file an

1 annual Report of Principal Amount of Loans Originated and Aggregate Amount of Loans Serviced
2 for the 12 Month Period Ended December 31, 2009 (“Activity Report”), an annual Report on Non-
3 traditional Adjustable Rate and Mortgage Loan Products (“Non-traditional Report”) and an annual
4 Non-traditional, Adjustable Rate and Mortgage Loan Survey (“Survey”) on or before March 1st of
5 each year for the preceding twelve month period ended December 31st.

6 3. On January 29, 2010, Activity Report forms, Non-traditional Report forms, and
7 Surveys were sent to all CRMLA licensees, including Taylor, Bean & Whitaker, with a notice that
8 their reports were due on or before March 1, 2010. Taylor, Bean & Whitaker has yet to submit its
9 Activity Report, Non-traditional Report or Survey to the Commissioner in violation of Financial
10 Code sections 50307, 50401, and California Code of Regulations, title 10, section 1950.314.8.

11 4. Pursuant to Financial Code sections 50200, subdivision (a), Taylor, Bean & Whitaker
12 was required to submit its audited financial statement for its fiscal year ended April 30, 2010 (“Audit
13 Report”) to the Commissioner on or before August 16, 2010, including a reconciliation of its trust
14 accounts. In addition, pursuant to the California Code of Regulations, title 10, section 1950.200,
15 Taylor, Bean & Whitaker was required to submit an Independent Auditor’s Report on Internal
16 Controls (“Report on Internal Controls”) to the Commissioner on ore before August 16, 2010.

17 5. On April 12, 2010, and again on June 29, 2010, the Complainant notified Taylor, Bean
18 & Whitaker in writing that its Audit Report, trust account reconciliation, and Report on Internal
19 Controls were due on or before August 16, 2010.

20 6. Taylor, Bean & Whitaker has yet to submit the Audit Report, trust account
21 reconciliation, and Report on Internal Controls as required by Financial Code section 50200,
22 subdivision (a), and title 10, section 1950.200 of the California Code of Regulations.

23 7. Pursuant to Financial Code section 50205, all licenses under the CRMLA are required
24 to maintain a surety bond. On August 6, 2009, Fidelity and Deposit Company of Maryland cancelled
25 Taylor, Bean & Whitaker’s surety bond and that bond has not been reinstated or replaced in violation
26 of Financial Code section 50205.

27 8. Pursuant to Financial Code section 50002.5, all licensees under the CRMLA were
28 required to register with the Nationwide Mortgage Licensing System and Registry (“NMLS”) on or

1 before July 31, 2010. To date, Taylor, Bean & Whitaker has failed to file a transition request through
2 NMLS for its CRMLA license in violation of section 50002.5 of the Financial Code.

3 9. Financial Code section 50123 requires that prior to surrendering a license, a licensee
4 must file a plan for approval by the Commissioner. The plan must contain the licensee's detailed
5 proposal for orderly closing out of the residential mortgage lending/mortgage loan servicing business.
6 In addition, the Commissioner must make a determination that there has been no violation of the
7 CRMLA.

8 10. On or about July 13, 2010, Taylor, Bean & Whitaker, through its counsel, notified the
9 Commissioner by letter that it intended to surrender its residential mortgage lender and mortgage loan
10 servicer license. On or about September 9, 2010, the Commissioner sent Taylor, Bean & Whitaker
11 instructions concerning the manner in which it is required to surrender its license under the CRMLA.

12 11. Taylor, Bean & Whitaker also notified the Commissioner that on or about August 24,
13 2009, Taylor, Bean & Whitaker had filed for voluntary Chapter 11 bankruptcy protection in the
14 United States Bankruptcy Court, Middle District of Florida, Jacksonville Division, Case Number
15 3:09-bk-07047-JAF.

16 12. Taylor, Bean & Whitaker has yet to file its plan for approval by the Commissioner
17 pursuant to Financial Code section 50123 and it is not considered to have surrendered its residential
18 mortgage lender and mortgage loan servicer license for purposes of the CRMLA.

19 13. On October 1, 2010, the Commissioner served Taylor, Bean & Whitaker with a Notice
20 of Intention to Issue Order Revoking Residential Mortgage and Loan Servicer License, Accusation
21 and accompanying documents dated September 30, 2010. Taylor, Bean & Whitaker filed a Notice of
22 Defense with the Commissioner in the above-referenced matter and a hearing is scheduled to
23 commence on March 4, 2011, before the Office of Administrative Hearings.

24 14. Taylor, Bean & Whitaker has agreed to the Commissioner's issuance of this Order
25 pursuant to a Stipulation to Order Revoking Residential Mortgage Lender and Mortgage Loan
26 Servicer License ("Stipulation"). A copy of the Stipulation is attached and incorporated herein as
27 Exhibit A.

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1 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
2 mortgage lender and mortgage servicer license issued by the Commissioner to Taylor, Bean &
3 Whitaker Mortgage Corp. is hereby revoked. This order is effective as of the date hereof. Pursuant
4 to California Financial Code section 50311, Taylor, Bean & Whitaker Mortgage Corp. has sixty (60)
5 days within which to complete any loans for which it had commitments.

6 DATED: January 31, 2011
7 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

9 By _____
10 Alan S. Weinger
11 Deputy Commissioner
12 Enforcement Division
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