

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Revocation of the Mortgage  
3 Broker License of:

No. 10F-BD028-BNK

4 **PLATINUM MORTGAGE ADVISORS, LTD.**  
5 **DBA PREMIER MORTGAGE ADVISORS**  
6 **AND VIVIAN DAO, PRESIDENT**  
7 18206 N. 19th Avenue, #1A  
8 Phoenix, AZ 85023

**CONSENT ORDER**

Respondents.

8 On February 3, 2010, the Arizona Department of Financial Institutions (“Department”)  
9 issued a Notice of Hearing To Revoke and Complaint, alleging that Respondents had violated  
10 Arizona law. Wishing to resolve this matter in lieu of an administrative hearing, Respondents  
11 consent to the following Findings of Fact and Conclusions of Law, and consent to the entry of the  
12 following Order.

13 FINDINGS OF FACT

14 1. Respondent Platinum Mortgage Advisors, Ltd. (“Platinum”) is an Arizona corporation,  
15 doing business as Premier Mortgage Advisors, an Arizona Trade Name, and is authorized to transact  
16 business in Arizona as a mortgage broker, license number MB 0904351, within the meaning of  
17 A.R.S. § 6-901, *et seq.* The nature of Platinum’s business is that of making, negotiating, or offering  
18 to make or negotiate a loans secured by Arizona real property within the meaning of A.R.S.  
19 § 6-901(6).

20 2. Respondent Vivian Dao (“Ms. Dao”) is the President, one hundred percent (100%)  
21 Owner and Responsible Individual of Platinum. Ms. Dao is authorized to transact business in  
22 Arizona as a mortgage broker within the meaning of A.R.S. § 6-903(E).

23 3. An August 18, 2008 through August 22, 2008 examination of Platinum, conducted by the  
24 Department, revealed that Platinum and Ms. Dao:

- 25 a. Failed to conduct the minimum elements of reasonable employee investigations  
26 before hiring employees, specifically:

- i. Failed to maintain an employee file or the required documentation for at least twenty (20) employees;
  - ii. Failed to maintain a record of the hire date for at least twenty (20) employees;
  - iii. Failed to collect and review all of the documents authorized by the Immigration and Control Act of 1986 before hiring at least twenty (20) employees;
  - iv. Failed to obtain a completed and signed "Form I9" (Employment Eligibility Verification Form) before hiring at least twenty (20) employees;
  - v. Failed to obtain a completed and signed employment application ("EA") before hiring at least twenty (20) employees;
  - vi. Failed to obtain a signed statement ("SS") attesting to all of an applicant's felony convictions, including detailed information regarding each conviction, before hiring at least twenty (20) employees;
  - vii. Failed to consult with the applicant's most recent or next most recent employer ("EI") before hiring at least twenty (20) employees;
  - viii. Failed to inquire regarding an applicant's qualifications and competence for the position ("QI") before hiring at least twenty (20) employees;
  - ix. Failed to obtain a credit report ("CR") from a credit reporting agency before hiring at least twenty (20) employees; and
  - x. Failed to investigate further after at least one employee's credit report contained derogatory information before hiring at least twenty (20) employees;
- b. Contracted with or paid compensation to at least ten (10) unlicensed, independent contractors; specifically, Respondents paid:
- i. AZ Business & Tax Service, Paige D., Loan Rep., at least one thousand eight hundred eighty dollars (\$1,880.00) during Tax Year 2007;

- 1           ii.   Cherrie H., Loan Rep., at least eight hundred sixty nine dollars and twelve  
2           cents (\$869.12) during Tax Year 2007, and at least seventeen thousand six  
3           hundred ninety five dollars and eighty one cents (\$17,695.81) during Tax  
4           Year 2006;
- 5           iii.   Kelly C., Loan Rep., at least four thousand nine hundred eighty dollars and  
6           forty four cents (\$4,980.44) during Tax Year 2007;
- 7           iv.   Got Docs, Sheryl S., Loan Rep., at least twenty three thousand five hundred  
8           twelve dollars (\$23,512.00) during Tax Year 2007;
- 9           v.   Gregor Holdings LLC, Greg B., Loan Rep, at least thirty four thousand six  
10          hundred forty seven dollars (\$34,647.00) during Tax Year 2007, and at least  
11          ten thousand three hundred ninety five dollars and ninety three cents  
12          (\$10,395.93) during Tax Year 2006;
- 13          vi.   Sandra G., Loan Rep., at least nine thousand one hundred thirty seven dollars  
14          and forty nine cents (\$9,137.49) during Tax Year 2007;
- 15          vii.   Shana Del Grosso, Inc., Shana D., Loan Rep., at least seven thousand one  
16          hundred twenty four dollars (\$7,124.00) during Tax Year 2007;
- 17          viii.   Victor Enterprises, Suneel V., Loan Rep., at least three thousand three  
18          hundred forty one dollars and eighty nine cents (\$3,341.89) during Tax Year  
19          2007;
- 20          ix.   Heiens Research, Inc., Michelle H., Loan Rep., at least twenty eight thousand  
21          six hundred seven dollars and ninety two cents (\$28,607.92) during Tax Year  
22          2006; and
- 23          x.   Housing Mortgage Consultants, Liz M., Loan Rep., at least twenty four  
24          thousand two hundred sixty five dollars and sixty five cents (\$24,265.65)  
25          during Tax Year 2006;
- 26          c.   Failed to maintain all required information on their list of all executed loan

1 applications or executed fee agreements; specifically:

2 i. Respondents' Loan Log was incomplete; specifically:

3 1. Application Dates were missing;

4 2. Amounts of Initial Loan Requests were missing;

5 3. Final Disposition Dates were missing;

6 4. Dispositions were missing; and

7 5. Names of Loan Officers were missing;

8 d. Failed to maintain correct and complete records of originals or copies of loan  
9 transactions; specifically:

10 i. Failed to maintain the real estate purchase contract agreement in their  
11 mortgage loan files for eight (8) mortgage loan transactions;

12 e. Failed to comply with the disclosure requirements of Title I of the Consumer Credit  
13 Protection Act (15 U.S.C. §§ 1601 through 1666j), the Real Estate Settlement  
14 Procedures Act (12 U.S.C. §§ 2601 through 2617), and the regulations promulgated  
15 under these acts; specifically:

16 i. A Yield Spread Premium ("YSP") of two thousand nine hundred twenty five  
17 dollars and seven cents (\$2,925.07) was not disclosed on the Good Faith  
18 Estimate ("GFE"), but listed on the final HUD and collected from the  
19 borrower; and the Truth In Lending Statement ("TIL") was incomplete, as  
20 revealed in the mortgage loan file for the property located at 3802 W. Becker  
21 Lane, borrower Denise C;

22 ii. A YSP of three thousand sixty six dollars and twenty five cents (\$3,066.25)  
23 and a Broker Fee of three hundred dollars (\$300.00) were not disclosed on the  
24 GFE, but listed on the final HUD and collected from the borrower, as revealed  
25 in the mortgage loan file for the property located at 710 W. Tamarisk,  
26 borrower Anthony G.;

- 1           iii.    A YSP of two thousand eight hundred eighty nine dollars (\$2,889.00) was not  
2           disclosed on the GFE, but listed on the final HUD and collected from the  
3           borrower, as revealed in the mortgage loan file for the property located at  
4           4102 E. Janice Way, borrower James B.
- 5           iv.    A YSP of nine hundred dollars (\$900.00) was not disclosed on the GFE, but  
6           listed on the final HUD and collected from the borrower, as revealed in the  
7           mortgage loan file for the property located at 3420 S. 97th Drive, borrower  
8           Phuong D.
- 9           v.     The TIL was incomplete, as revealed in the mortgage loan file for the property  
10          located at 9429 E. Western Saddle Way, borrower, Eric S.
- 11          vi.    A YSP of two thousand four hundred fifty dollars (\$2,450.00), an application  
12          fee of three hundred dollars (\$300.00), and an origination fee of one thousand  
13          nine hundred sixty dollars (\$1,960.00) were not disclosed on the GFE, but  
14          listed on the final HUD and collected from the borrower; and the TIL was  
15          incomplete, as revealed in the mortgage loan file for the property located at  
16          3424 S. 97th Drive, borrower Vinh D.;
- 17          vii.   A broker administration fee of two hundred dollars (\$200.00) and a broker fee  
18          of twenty two (\$22.00) were not disclosed on the GFE, but listed on the final  
19          HUD and collected from the borrower; and the TIL was incomplete, as  
20          revealed in the mortgage loan file for the property located at 1920 E. Bell  
21          Road, borrower Jason A;
- 22          viii.   Respondents retained a total of at least fifteen thousand twelve dollars and  
23          fifty two cents (\$15,012.52) in undisclosed fees which were collected from the  
24          borrowers listed above, in subparagraphs i through vi.
- 25          f.     Allowed borrowers to sign regulated documents containing blank spaces without first  
26          obtaining written authorization from said borrowers; specifically:

- 1 i. One (1) ECOA Notice was signed in blank;
- 2 ii. One (1) Notice to Applicant of Right to Receive Appraisal was signed in
- 3 blank;
- 4 iii. One (1) or more Disclosure Notices were signed in blank;
- 5 iv. One (1) Mortgage Loan Origination Agreement was signed in blank;
- 6 v. One (1) Mortgage Servicing Transfer Disclosure was signed in blank;
- 7 vi. Four (4) Truth-In-Lending disclosures were signed in blank;
- 8 vii. Two (2) IRS 4506-T Forms were signed in blank; and
- 9 viii. One (1) IRS 4506 Form was signed in blank;
- 10 g. Misrepresented or concealed an essential or material fact in the course of the
- 11 mortgage broker business; by Ms. Dao's closing of seventeen (17) mortgage loans
- 12 through Platinum on eleven (11) different properties, eight (8) of which were listed as
- 13 owner occupied residences, and failing to disclose to the lender, on the uniform
- 14 residential loan applications ("Form 1003") the existence of the other
- 15 properties/loans; specifically:
- 16 i. **Loan One** was funded by Countrywide Home Loans, Inc. on March 22, 2005.
- 17 The property is located at 7970 E. Wingspan Way, Scottsdale, AZ 85255. The
- 18 loan was an owner occupied refinance including a first mortgage totaling
- 19 seven hundred twelve thousand five hundred dollars (\$712,500.00);
- 20 1. The Loan One mortgage file lists 7970 E. Wingspan Way, Scottsdale AZ
- 21 as the owner occupied place of residence, and states an income of
- 22 fourteen thousand dollars (\$14,000.00) per month; and
- 23 2. Loan One was refinanced on November 6, 2006, by Loan Ten;
- 24 ii. **Loan Two** was funded by WMC Mortgage Corporation on June 1, 2005. The
- 25 property is located at 9249 E. Western Saddle Way, Scottsdale, AZ 85255.
- 26 The loan was an owner occupied purchase including a first and second

1 mortgage totaling six hundred fifteen thousand eighty nine dollars  
2 (\$615,089.00);

3 1. The Loan Two mortgage file lists 6885 E. Cochise Road, Scottsdale AZ  
4 as the owner occupied place of residence, and states an income of  
5 seventeen thousand seventy eight dollars (\$17,078.00) per month;

6 2. Loan Two contained a Fannie Mae loan application (form 1003), dated  
7 May 3, 2005, which failed to disclose the ownership of the owner  
8 occupied refinance from Loan One on the schedule of real estate owned.  
9 The property from Loan One was closed in the borrower's name on  
10 March 22, 2005. The failure to disclose Loan One concealed a mortgage  
11 obligation of seven hundred twelve thousand five hundred dollars  
12 (\$712,500.00) from the lender.

13 3. Loan Two was refinanced on October 31, 2005 by Loan Five;

14 iii. **Loan Three** was funded by Paragon Home Lending, LLC ISAOA on June 20,  
15 2005. The property is located at 9298 E. Horseshoe Bend Dr., Scottsdale, AZ  
16 85255. The loan was an owner occupied purchase including a first and second  
17 mortgage totaling six hundred fifty thousand dollars (\$650,000.00).

18 1. The Loan Three mortgage file lists 6885 E. Cochise Road, Scottsdale AZ  
19 as the owner occupied place of residence, and states an income of  
20 fourteen thousand one hundred seventy two dollars (\$14,172.00) per  
21 month.

22 2. Loan Three contained a Fannie Mae loan application (form 1003), dated  
23 June 2, 2005, which failed to disclose the ownership of the owner  
24 occupied refinance from Loan One and the owner occupied purchase  
25 from Loan Two on the schedule of real estate owned. The property from  
26 Loan One was closed in the borrower's name on March 22, 2005. The

1 failure to disclose Loan One concealed a mortgage obligation of seven  
2 hundred twelve thousand five hundred dollars (\$712,500.00) from the  
3 lender. The property from Loan Two was closed in the borrower's name  
4 on June 1, 2005. The failure to disclose Loan Two concealed a mortgage  
5 obligation of \$615,089.00 from the lender.

6 3. Loan Three was refinanced on November 7, 2005 by Loan Six;

7 iv. **Loan Four** was funded by Accubanc Mortgage on June 28, 2005. The  
8 property is located at 3420 South 97th Drive, Tolleson, AZ 85353. The loan  
9 was an owner occupied purchase including a first and second mortgage  
10 totaling three hundred three thousand dollars (\$303,000.00).

11 1. The Loan Four mortgage file lists 6885 E. Cochise Road, Scottsdale AZ  
12 as the owner occupied place of residence, and states an income of  
13 fourteen thousand two hundred fifty seven dollars (\$14,257.00) per  
14 month.

15 2. Loan Four contained a Fannie Mae loan application (form 1003), dated  
16 June 24, 2005, which failed to disclose the ownership of the owner  
17 occupied refinance from Loan One, the owner occupied purchase from  
18 Loan Two and the owner occupied purchase of Loan Three on the  
19 schedule of real estate owned. The property from Loan One was closed  
20 in the borrower's name on March 22, 2005. The failure to disclose Loan  
21 One concealed a mortgage obligation of seven hundred twelve thousand  
22 five hundred dollars (\$712,500.00) from the lender. The property from  
23 Loan Two was closed in the borrower's name on June 1, 2005. The  
24 failure to disclose Loan Two concealed a mortgage obligation of six  
25 hundred fifteen thousand eighty nine dollars (\$615,089.00) from the  
26 lender. The property from Loan Three was closed in the borrower's name



1 on June 20, 2005. The failure to disclose Loan Three concealed a  
2 mortgage obligation of six hundred fifty thousand dollars (\$650,000.00)  
3 from the lender.

4 3. The Loan Four property was sold on a short sale on March 25, 2008, for  
5 one hundred ninety thousand dollars (\$190,000.00). The original loan  
6 was for three hundred three thousand dollars (\$303,000.00) therefore a  
7 minimum loss of one hundred thirteen dollars (\$113,000.00);

8 v. **Loan Five** was funded by IndyMac Bank, FSB on October 31, 2005. The  
9 property is located at 9249 E. Western Saddle Way, Scottsdale, AZ 85255.  
10 The loan was an owner occupied refinance including a first mortgage totaling  
11 six hundred twenty thousand dollars (\$620,000.00).

12 1. The Loan Five mortgage file lists 9249 E. Western Saddle Way,  
13 Scottsdale AZ as the owner occupied place of residence, and states an  
14 income of sixteen thousand seven hundred thirty thousand dollars  
15 (\$16,730.00) per month;

16 2. Loan Five contained a Fannie Mae loan application (form 1003), dated  
17 October 26, 2005, which failed to disclose the ownership of the owner  
18 occupied refinance from Loan One, the owner occupied purchase from  
19 Loan Three and the owner occupied purchase of Loan Four on the  
20 schedule of real estate owned. The property from Loan One was closed  
21 in the borrower's name on March 22, 2005. The failure to disclose loan  
22 one concealed a mortgage obligation of seven hundred twelve thousand  
23 five hundred dollars (\$712,500.00) from the lender. The property from  
24 Loan Three was closed in the borrower's name on June 20, 2005. The  
25 failure to disclose Loan Three concealed a mortgage obligation of six  
26 hundred fifty thousand dollars (\$650,000.00) from the lender. The

1 property from Loan Four was closed in the borrower's name on June 28,  
2 2005. The failure to disclose loan four concealed a mortgage obligation  
3 of three hundred three thousand dollars (\$303,000.00) from the lender.

4 3. The Loan Five property was sold to another borrower on October 18,  
5 2007.

6 vi. **Loan Six** was funded by Paragon Home Lending, LLC ISAOA on  
7 November 7, 2005. The property is located at 9298 E. Horseshoe Bend Dr.,  
8 Scottsdale, AZ 85255. The loan is an owner occupied refinance including a  
9 first mortgage totaling six hundred fifty nine thousand dollars (\$659,000.00).

10 1. The Loan Six mortgage file lists 9298 E. Horseshoe Bend Dr., Scottsdale  
11 AZ as the owner occupied place of residence, and states an income of  
12 nineteen thousand two hundred nine dollars (\$19,209.00) per month.

13 2. Loan Six contained a Fannie Mae loan application (form 1003), dated  
14 November 2, 2005, which failed to disclose the ownership of the owner  
15 occupied refinance from Loan Five on the schedule of real estate owned.  
16 The property from Loan Five was closed in the borrower's name on  
17 October 31, 2005. The failure to disclose Loan Five concealed a  
18 mortgage obligation of six hundred twenty thousand dollars  
19 (\$620,000.00) from the lender. .

20 3. The Loan Six property was foreclosed through a trustee sale on  
21 October 30, 2008.

22 vii. **Loan Seven** was funded by WMC Mortgage on December 29, 2005. The  
23 property is located at 8426 W. Miami Street, Tolleson, AZ 85353. The loan is  
24 an investment purchase including a first mortgage totaling three hundred thirty  
25 seven thousand two hundred fifty dollars (\$337,250.00).

26 1. The Loan Seven mortgage file lists 7970 E. Wingspan Way, Scottsdale,

1 AZ as the owner occupied place of residence, and states an income of  
2 nineteen thousand nine hundred ninety two dollars (\$19,992.00) per  
3 month.

4 2. Loan Seven contained a Fannie Mae loan application (form 1003), dated  
5 November 16, 2005, which failed to disclose the ownership of the owner  
6 occupied refinance from Loan Five and the owner occupied refinance of  
7 Loan Six on the schedule of real estate owned. The property from Loan  
8 Five was closed in the borrower's name on October 31, 2005. The failure  
9 to disclose Loan Six concealed a mortgage obligation of six hundred  
10 twenty thousand dollars (\$620,000.00) from the lender. The property  
11 from Loan Six was closed in the borrower's name on November 7, 2005.  
12 The failure to disclose Loan Six concealed a mortgage obligation of six  
13 hundred fifty nine thousand dollars (\$659,000.00) from the lender.

14 3. On November 26, 2007, the Loan Seven property was sold on a short sale  
15 for two hundred twenty five thousand dollars (\$225,000.00); the original  
16 loan was for three hundred thirty seven two hundred fifty dollars  
17 (\$337,250.00); and therefore a minimum loss of one hundred twelve  
18 thousand two hundred fifty dollars (\$112,250.00).

19 viii. **Loan Eight** was funded by Transnational Financial Network on January 1,  
20 2006. The property is located at 9331 W. Heber Road, Tolleson, AZ 85353.  
21 The loan was an investment purchase including a first and second mortgage  
22 totaling two hundred ninety five thousand seven hundred dollars  
23 (\$295,700.00).

24 1. The Loan Eight mortgage file lists 7970 E. Wingspan Way, Scottsdale,  
25 AZ as the owner occupied place of residence, and states an income of  
26 seventeen thousand nine hundred sixty nine dollars (\$17,969.00) per

1 month;

2 2. On June 20, 2008, the Loan Eight property was foreclosed through a  
3 trustee sale.

4 ix. **Loan Nine** was funded by Taylor, Bean & Whitaker Mortgage Corporation on  
5 March 10, 2006. The property is located at 9206 W. Heber Road, Tolleson,  
6 AZ 85353. The loan was an investment purchase including a first and second  
7 mortgage totaling two hundred eighty seven thousand three hundred fifty  
8 dollars (\$287,350.00).

9 1. The Loan Nine mortgage file lists 7970 E. Wingspan Way, Scottsdale,  
10 AZ as the owner occupied place of residence, and states an the income of  
11 twenty one thousand one hundred sixty thousand dollars (\$21,160.00) per  
12 month.

13 2. Loan Nine contained a Fannie Mae loan application (form 1003), dated  
14 March 9, 2006, which failed to disclose the ownership of the owner  
15 occupied refinance from Loan Six, the investment purchase from Loan  
16 Seven and the investment purchase from Loan Eight on the schedule of  
17 real estate owned. The property from Loan Six was closed in the  
18 borrower's name on November 7, 2005. The failure to disclose Loan Six  
19 concealed a mortgage obligation of six hundred fifty nine thousand  
20 dollars (\$659,000.00) from the lender. The property from Loan Seven  
21 was closed in the borrower's name on December 29, 2005. The failure to  
22 disclose Loan Seven concealed a mortgage obligation of three hundred  
23 thirty seven thousand two hundred fifty thousand dollars (\$337,250.00)  
24 from the lender. The property from Loan Eight was closed in the  
25 borrower's name on January 1, 2006. The failure to disclose Loan Eight  
26 concealed a mortgage obligation of two hundred ninety five thousand

1                   seven hundred dollars (\$295,700.00) from the lender.

2                   3. On September 8, 2008, the Loan Nine property was foreclosed through a  
3                   trustee sale.

4                   x. **Loan Ten** was funded by Homecomings Financial, LLC on November 6,  
5                   2006. The property is located at 7970 E. Wingspan Way, Scottsdale, AZ  
6                   85255. The loan was an owner occupied refinance including a first mortgage  
7                   totaling nine hundred eighteen thousand seven hundred fifty dollars  
8                   (\$918,750.00).

9                   1. The Loan Ten mortgage file lists 7970 E. Wingspan Way, Scottsdale, AZ  
10                   as the owner occupied place of residence, and states an income of  
11                   nineteen thousand forty two dollars (\$19,042.00) per month.

12                   2. A notice of trustee sale was issued for the Loan Ten property on  
13                   October 2, 2008 and February 2, 2009; however, no sale took place, as  
14                   the borrower still owns the property.

15                   xi. **Loan Eleven** was funded by Countrywide Home Loans on February 1, 2007.  
16                   The property is located at 1513 W. Calle Escuada, Phoenix, AZ 85085. The  
17                   loan was an owner occupied refinance including a first and second mortgage  
18                   totaling five hundred ninety seven thousand eight hundred dollars  
19                   (\$597,800.00).

20                   1. The Loan Eleven mortgage file lists 9249 E. Western Saddle Way,  
21                   Scottsdale, AZ as the owner occupied place of residence, and states an  
22                   income of thirty one thousand two hundred seventy five dollars  
23                   (\$31,275.00) per month.

24                   2. Loan Eleven contained a Fannie Mae loan application (form 1003), dated  
25                   January 31, 2007, which failed to disclose the ownership of the owner  
26                   occupied refinance from Loan Ten on the schedule of real estate owned.

1           The property from Loan Ten was closed in the borrower's name on  
2           November 6, 2006. The failure to disclose Loan Ten concealed a  
3           mortgage obligation of nine hundred eighteen thousand seven hundred  
4           fifty dollars (\$918,750.00) from the lender.

5           3. On June 29, 2007, the Loan Eleven property was sold to another  
6           borrower.

7           xii. In order for a lender to make a prudent underwriting decision they must know  
8           all liabilities and potential liabilities of the borrower, which also affects the  
9           amount of money available to close the loans and the required reserves after  
10          the loans close. Within the eleven loans set forth above, Ms. Dao's (the  
11          borrower's) clear intent was to purchase an additional homes, of which  
12          Respondent had full knowledge of and helped conceal from the respective  
13          lenders. The manipulation of the borrower's residence allowed for more  
14          favorable terms as an owner occupant.

15          h. Failed to ensure that the Responsible Individual (Ms. Dao) maintained a position of  
16          active management; specifically:

17                  i. Compensation was paid by Respondents to at least ten (10) unlicensed,  
18                  independent contractors; and

19                  ii. The Responsible Individual personally originated and closed thirteen (13)  
20                  loans that contained misrepresentations and/or concealed material facts;

21          i. Used an appraisal disclosure that places an unlawful 90-day limit on the amount of  
22          time in which a borrower may obtain a copy of an appraisal for which the borrower  
23          has paid; specifically:

24                  i. Respondents have used a disclosure entitled "NOTICE OF RIGHT TO  
25                  RECEIVE AN APPRAISAL REPORT" that includes a 90-day limit on the  
26                  amount of time an applicant may request the appraisal, for at least six (6)

1 mortgage loan transactions,

2 4. Platinum and Ms. Dao are no longer engaged in the mortgage broker business.

3 5. These Findings of Fact shall also serve as Conclusions of Law.

4 **CONCLUSIONS OF LAW**

5 1. Pursuant to A.R.S. §§ 6-901, *et seq.*, the Superintendent has the authority and duty to  
6 regulate all persons engaged in the mortgage broker business and with the enforcement of statutes,  
7 rules, and regulations relating to mortgage brokers.

8 2. By the conduct set forth in the Findings of Fact, Platinum and Ms. Dao violated the  
9 following:

- 10 a. A.R.S. § 6-903(Q) and A.A.C. R20-4-102 by failing to conduct the minimum  
11 elements of reasonable employee investigations before hiring employees;
- 12 b. A.R.S. § 6-909(B) and A.A.C. R20-4-102 by contracting with or paying  
13 compensation to unlicensed, independent contractors;
- 14 c. A.A.C. R20-4-917(B)(1) by failing to maintain all required information on their list  
15 of all executed loan applications or executed fee agreements;
- 16 d. A.R.S. § 6-906(A) and A.A.C. R20-4-917(B)(6) by failing to maintain correct and  
17 complete records of originals or copies of loan transactions;
- 18 e. A.R.S. § 6-906(D) and A.A.C. R20-4-917(B)(6)(e) by failing to comply with the  
19 disclosure requirements of Title I of the Consumer Credit Protection Act (15 U.S.C.  
20 §§ 1601 through 1666j), the Real Estate Settlement Procedures Act (12 U.S.C.  
21 §§ 2601 through 2617), and the regulations promulgated under these acts;
- 22 f. A.R.S. § 6-909(A) and A.A.C. R20-4-921 by allowing borrowers to sign regulated  
23 documents containing blank spaces without first obtaining written authorization from  
24 said borrowers;
- 25 g. A.R.S. § 6-909(L) by misrepresenting or concealing an essential or material fact in  
26 the course of the mortgage broker business;

1 h. A.R.S. § 6-903(H) and A.A.C. R20-4-102 by failing to ensure that the responsible  
2 individual maintains a position of active management; and

3 i. A.R.S. § 6-906(C) by using an appraisal disclosure that places an unlawful 90-day  
4 limit on the amount of time in which a borrower may obtain a copy of an appraisal for  
5 which the borrower has paid.

6 2. Respondents have violated applicable statutes and rules, as set forth above, in the conduct  
7 of their mortgage broker business, which constitutes grounds for the suspension or revocation of  
8 Respondents' mortgage broker license, number MB 0904351, pursuant to A.R.S. § 6-905(A)(3).

9 3. The violations, set forth above, constitute grounds for the pursuit of any other remedy  
10 necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona  
11 pursuant to A.R.S. §§ 6-123 and 6-131.

12 4. Pursuant to A.R.S. § 6-132, Respondents' violations of the aforementioned statutes are  
13 grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation for  
14 each day.

15 5. The violations, set forth above, constitute grounds for (1) the issuance of an order  
16 pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the violative conduct and  
17 to take the appropriate affirmative actions, within a reasonable period of time prescribed by the  
18 Superintendent, to correct the conditions resulting from the unlawful acts, practices, and  
19 transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-132; (3) the  
20 suspension or revocation of Respondents' license pursuant to A.R.S. § 6-905; (4) an order to pay  
21 restitution of any fees earned on loans made in violation of A.R.S. § 6-901, *et seq.*, pursuant to  
22 A.R.S. §§ 6-131(A)(3) and 6-137; and (5) an order or any other remedy necessary or proper for the  
23 enforcement of statutes and rules regulating mortgage brokers pursuant to A.R.S. §§ 6-123 and  
24 6-131.

25 **ORDER**

26 1. Platinum and Ms. Dao shall immediately, upon execution of this Consent Order,



1 voluntarily surrender to the Department their Mortgage Broker License, Number MB 0904351,  
2 issued in the name of Platinum Mortgage Advisors, Ltd. dba Premier Mortgage Advisors.

3 2. At the time of execution of this Order, Platinum and Ms. Dao shall:

4 a. Submit to the Department a report of the closure of all loan files showing that all files  
5 have been closed or transferred to a mortgage broker or mortgage banker licensed by  
6 the Department or exempt from licensure;

7 b. Provide to the Department a report of the arrangements made for storage of the closed  
8 loan files, including a list of all files placed in storage, the location of the files, and  
9 the name of the person to contact for retrieval; and

10 c. Submit to the Department a report showing all trust funds have been transferred to a  
11 mortgage broker or mortgage banker licensed by the Department or exempt from  
12 licensure.

13 3. Platinum shall not at any time subsequently submit to the Department any application or  
14 re-application for a new or reinstated license.

15 4. Ms. Dao shall not at any time subsequently submit to the Department any application or  
16 reapplication for a new or reinstated license without the prior written consent of the Department,  
17 which consent may be withheld or conditioned in the discretion of the Department.

18 5. Ms. Dao shall be prohibited from further participation in any manner in the conduct of  
19 the affairs of any financial institution or enterprise, without the prior written consent of the  
20 Department, which consent may be withheld or conditioned in the discretion of the Department.

21 6. Ms. Dao shall not directly or indirectly, as an agent or principal, submit any such  
22 application for or on behalf of any other entity, nor shall she perform any services for any licensed  
23 entity without the prior written consent of the Department, which consent may be withheld or  
24 conditioned in the discretion of the Department.

25 7. Platinum and Ms. Dao shall pay to the Department, on or before December 31, 2010, the  
26 examination fee in the amount of **three thousand nine hundred eighty one dollars and twenty**

1 **five cents (\$3,981.25)**, pursuant to A.R.S. § 6-125.

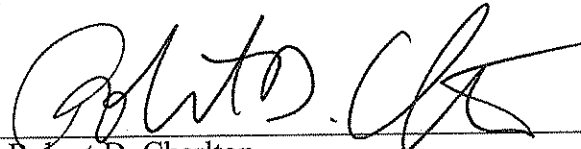
2 8. The provisions of this Order shall be binding upon Platinum and Ms. Dao, their  
3 employees, agents, and other persons participating in the conduct of the affairs of Platinum  
4 Mortgage Advisors, Ltd. dba Premier Mortgage.

5 9. The provisions of this Order shall be binding upon Platinum and Ms. Dao, and resolves  
6 the Notice of Hearing to Revoke and Complaint, subject to Respondents' compliance with the  
7 requirements of this Order, as well as all other statutes and rules regulating mortgage brokers.

8 10. This Order shall become effective upon service, and shall remain effective and  
9 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated,  
10 or set aside.

11 SO ORDERED this 25 day of May, 2010.

12 Lauren W. Kingry  
13 Superintendent of Financial Institutions

14 By   
15 Robert D. Charlton  
16 Assistant Superintendent of Financial Institutions

17 **CONSENT TO ENTRY OF ORDER**

18 1. Respondents acknowledge that they have been served with a copy of the foregoing  
19 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the  
20 same, are aware of their right to an administrative hearing in this matter, and have waived the same.

21 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry of the  
22 foregoing Findings of Fact, Conclusions of Law, and Order.

23 3. Respondents state that no promise of any kind or nature has been made to induce them to  
24 consent to the entry of this Order, and that they have done so voluntarily.

25 4. Respondents agree to cease from engaging in the violative conduct set forth above in the  
26 Findings of Fact and Conclusions of Law.

1           5. Respondents state that they have ceased all mortgage activities; and that the corporate  
2 affairs are in the process of winding down and are limited to purely administrative matters.

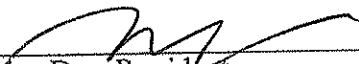
3           6. Respondents acknowledge that the acceptance of this Agreement by the Superintendent is  
4 solely to settle this matter and does not preclude this Department, any other agency or officer of this  
5 state or subdivision thereof from instituting other proceedings as may be appropriate now or in the  
6 future.

7           7. Vivian Dao, on behalf of Platinum Mortgage Advisors, Ltd. dba Premier Mortgage  
8 Advisors and herself, represents that she is the President, and that, as such, has been authorized by  
9 Platinum Mortgage Advisors, Ltd. dba Premier Mortgage to consent to the entry of this Order on its  
10 behalf.

11           8. Respondents are not, by execution of this Order, admitting liability or responsibility and  
12 Respondents are executing this order without admitting liability or responsibility.

13           9. Respondents waive all rights to seek judicial review or otherwise to challenge or contest  
14 the validity of this Order.

15           DATED this 14<sup>th</sup> day of May, 2010.

16  
17  
18           By   
19           Vivian Dao, President  
20           Platinum Mortgage Advisors, Ltd.  
21           dba Premier Mortgage

22           ORIGINAL of the foregoing filed this 25<sup>th</sup>  
23           day of May, 2010, in the office of:  
24           Lauren W. Kingry  
25           Superintendent of Financial Institutions  
26           Arizona Department of Financial Institutions  
          ATTN: Susan Longo  
          2910 N. 44th Street, Suite 310  
          Phoenix, AZ 85018

1 COPY of the foregoing mailed this 25<sup>th</sup>  
day of May, 2010, to:

2 Robert D. Charlton, Assistant Superintendent  
3 Judith R. Moss, Senior Examiner  
4 Arizona Department of Financial Institutions  
2910 North 44th Street, Suite 310  
5 Phoenix, AZ 85018

6 Vivian Dao, President  
7 Platinum Mortgage Advisors, Ltd.  
8 dba Premium Mortgage Advisors  
18206 N. 19th Avenue, #1A  
Phoenix, AZ 85023  
Respondents

9 Teresa H. Foster, Esq.  
10 Ellis & Baker, P.C.  
7301 N. 16th Street, Suite 102  
11 Phoenix, AZ 85020  
Attorneys for Respondents

12  
13 Susan Longo  
#757024

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