

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION**

In The Matter Of: )  
 )  
PLAZA HOME MORTGAGE, INC. ) Docket No. 13 – 038 - B  
Respondent )

**STIPULATION AND CONSENT AGREEMENT**

**Background**

1. The Commissioner is charged with administering and enforcing the lending laws of the State of Vermont, including 8 V.S.A. Chapters 73, 85 and applicable Regulations which govern the conduct of licensed lenders and loan servicers. 8 V.S.A. §§ 11 and 12.
2. Plaza Home Mortgage, Inc. (“Plaza”) is a California corporation.
3. Plaza current holds a Vermont lender license and a Vermont loan servicer license.
4. The Department conducted an examination of Plaza for the period January 1, 2011 through October 31, 2012.
5. Based on this examination, the Department has reason to believe that Plaza failed to issue valid commitment letters, in violation of 9 V.S.A. § 103 and Regulation B-98-1.
6. Plaza neither admits nor denies the Department’s allegations. To the extent any violation may exist, Plaza denies any intentional wrongdoing and believes it has valid defenses to the Department’s allegations.
7. The Department contends that there is a substantial factual basis for the Department’s allegations and entering into this Stipulation and Consent Agreement is not a concession by the Department that its allegations are not well-founded.
8. The parties wish to resolve this matter without administrative or judicial proceedings.
9. Plaza and the Department expressly agree to enter into this Stipulation and Consent Agreement in full and complete resolution of the alleged violations described in paragraph 5.

**Stipulation and Agreement**

Plaza and the Department hereby stipulate and agree as follows:

10. Plaza agrees to pay: (a) an administrative penalty to the Department of Financial Regulation in the amount of \$70,000; and (b) a \$5,000 payment to the VT DFR – Financial Services Education & Training Special Fund, which payments shall be made on or before May 22, 2014.

11. Plaza shall issue commitment letters which comply with 9 V.S.A. §103 and Regulation B-98-1.

12. Plaza represents that in order to ensure future compliance with regard to commitment letters, it has already instituted the following:

- a. Utilization of a new document preparation company;
- b. Revision of procedures for the issuance of commitment letters to Vermont borrowers and training of relevant personnel in these revised procedures;
- c. Revision of the commitment letter issued to Vermont borrowers to include all required items and to exclude items that are not required;
- d. Inclusion of a required date field in the system for Vermont borrowers to serve as a control point;
- e. Initiation of an internal audit procedure to ensure that the steps taken actually achieve compliance with Vermont commitment letter laws and regulations.

13. In the event Plaza fails to make the payments described in paragraph 10 on or before May 22, 2014, the Commissioner may, upon request from the Banking Division of the Department, issue an Order suspending, revoking, or terminating any or all of Plaza's licenses and imposing additional administrative penalties. The Department's failure to exercise this option shall not constitute a waiver of the right to exercise such option at any other time.

14. The Department shall retain continuing jurisdiction in this matter until Plaza has complied with the terms and conditions of this Stipulation and Consent Agreement.

15. The Department may conduct an examination at any time to monitor Plaza's compliance with the terms and conditions of this Stipulation and Consent Agreement, or for any other reason.

16. This Stipulation and Consent Agreement shall not prevent any person from pursuing any claim he or she may have against Plaza, nor shall it be understood as determining whether any such claim may or may not exist in law or equity.

17. This Stipulation and Consent Agreement is a final settlement of all matters relating to the Department's 2006, 2010, and 2013 examinations of Plaza.

18. Nothing contained in this Stipulation and Consent Agreement shall restrain or limit the Department in responding to and addressing any actual complaint filed with the Department involving Plaza and the Department reserves the right to pursue restitution in connection with any complaint filed with the Department.

19. Plaza knowingly and voluntarily waives any right it may have to judicial review by any court of these matters by way of suit, appeal, or extraordinary relief resulting from entry or enforcement of this Stipulation and Consent Agreement.

### **ORDER**

#### **NOW THEREFORE, IT IS HEREBY ORDERED THAT:**

20. Plaza shall comply with all agreements, stipulations, and undertakings as recited above.

21. Plaza shall make the payments described in paragraph 10, which payments shall be made on or before May 22, 2014.

22. In the event Plaza fails to make the payments described above on or before May 22, 2014, the Commissioner may, upon request from the Banking Division of the Department, issue an Order suspending, revoking, or terminating any or all of Plaza's licenses and may impose additional administrative penalties. The Department's failure to exercise this option shall not constitute a waiver of the right to exercise such option at any other time.

23. This Order shall not prevent any person from pursuing any claim he or she may have against Plaza.

24. Nothing contained in this Order shall restrain the Department from responding to and addressing any complaint involving Plaza filed with the Department or shall preclude the Department from pursuing any other violation of law.

25. This Order shall not be construed as an adjudication of any violation of any Vermont law or federal law, except as specifically set forth herein.

**Vermont Department of Financial Regulation**

Susan L. Donegan  
Susan L. Donegan, Commissioner

Dated this 22<sup>nd</sup> day of May, 2014.

**CONSENTED AND AGREED TO:**

**Plaza Home Mortgage, Inc.**

By: [Signature]

Dated this 19<sup>th</sup> day of May, 2014.

(Print Name: Scott Denike)

Title: General Counsel

STATE OF \_\_\_\_\_ ) SS

COUNTY OF \_\_\_\_\_ )

On the \_\_\_ day of May, 2014, personally appeared \_\_\_\_\_, being the \_\_\_\_\_ and duly authorized representative of **Plaza Home Mortgage, Inc.**, signer of the foregoing Stipulation and Consent Agreement and acknowledged the same to be his/her free act and deed and the free act and deed of **Plaza Home Mortgage, Inc.**

Before me, \_\_\_\_\_

Notary Public

My commission expires \_\_\_\_\_

See attached Acknowledgment  
KLE 5/19/14

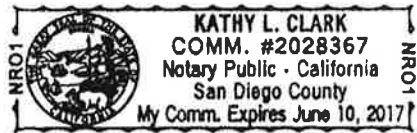
State of California )  
 )  
County of San Diego )

On May 19, 2014 before me, Kathy L. Clark, Notary Public, personally appeared Scott DeNike, General Counsel of Plaza Home Mortgage, Inc., who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kathy L. Clark



(Seal)