

**BEFORE THE ADMINISTRATOR OF CONSUMER CREDIT  
STATE OF OKLAHOMA**

STATE OF OKLAHOMA, )  
*ex rel.*, DEPARTMENT OF )  
CONSUMER CREDIT, )  
 )  
Petitioner )  
 )  
v. )  
 )  
LOAN X MORTGAGE LLC., )  
 )  
Respondent )

FILED DECEMBER 11, 2023  
STATE OF OKLAHOMA  
DEPARTMENT OF  
CONSUMER CREDIT

Case No. 23-0025-DIS

**FINAL AGENCY ORDER**

This matter was heard on the 16th day of November, 2023, at approximately 9:40 a.m., the above numbered and entitled cause (scheduled for 9:30 a.m.) came on for an emergency hearing at the Office of the Oklahoma Department of Consumer Credit, 629 N.E. 28<sup>th</sup> Street, Oklahoma City, Oklahoma 73105.

The State of Oklahoma, *ex rel.* Oklahoma Department of Consumer Credit (“Petitioner”), was represented by Petitioner’s Chief Enforcement Counsel, John T. Coyne, and Respondent, Loan X Mortgage LLC., a foreign limited liability company under the jurisdiction of the State of Michigan and a licensed Oklahoma Mortgage Broker possessing Oklahoma license number MB014872, whose mailing address of record is 34100 Woodward Avenue, Ste 200, Birmingham, MI 48009 (“Respondent”), did not personally appear through a representative or through an attorney, after such representatives of Respondent having been personally served a copy, through its representatives, of the Emergency Order and Notice of Hearing filed by Petitioner herein on November 6, 2023 (the “Emergency Order and Notice of Hearing”), in Case No. 23-0025-DIS, pursuant to the requirements of Article II of the Administrative Procedures

Act, 75 O.S. §§ 308a-323 (the “APA”), was hand-delivered to Respondent through a representative of its registered agent in the State of Michigan, Republic Registered Agent LLC. (“Respondent’s Registered Agent”), on November 9, 2023, which Respondent’s Registered Agent’s address is 405 W. Greenlawn Avenue, #G11, Lansing, Michigan 48910, through the services of a Process Server, named Gina Sharbowski, 1221 Bowers Street, #103, Birmingham, MI 48012, who provided a copy of a signed Affidavit of Service filed and admitted as an exhibit without objection in this matter (the “Affidavit of Service”), which Affidavit of Service on its face was notarized by an Angelique Rhone, Notary Public-Michigan, Macomb County, MI, whose Commission expires 05/21/2025 and whose seal was affixed to the Affidavit of Service. Petitioner’s Chief Enforcement Counsel, John T. Coyne, indicated that he had not heard from or spoken to Respondent or its representatives about any appearance at the hearing in person through its representatives or through an attorney. Mr. Coyne indicated that he wished to secure, in the absence of Respondent who had an opportunity for a hearing and for whom he had good service, an immediate temporary cease and desist order by default pursuant to 75 O.S. § 309(E). Further, Mr. Coyne indicated that Petitioner’s recommendation in this matter is that an immediate temporary cease and desist order be issued and be in place until such time as Respondent complies with Petitioner’s request for books and records from Respondent previously served on Respondent through a Subpoena Duces Tecum issued and sent to Respondent on July 26, 2023, and that Respondent pay for all of the costs of the hearing to Petitioner.

Accordingly, the Independent Hearing Examiner announced from the bench that his recommendation in this matter to the Department’s Administrator would be that an immediate temporary cease and desist order be issued and remain in place until such time as Respondent

complies with Petitioner's request for books and records from Respondent in order for Petitioner to conduct an examination and that Respondent respond to a lawful Subpoena Duces Tecum issued and sent to Respondent on July 26, 2023, and as Respondent through its default is not the prevailing party in this matter, that Respondent pay for all of the costs of the hearing (being those costs of the Independent Hearing Examiner incurred in this matter as authorized in 59 O.S. § 2095.17(D)) to Petitioner.

After reviewing the administrative record of this individual proceeding, reviewing the evidence presented at the November 16, 2023 hearing, and reviewing the Proposed Order filed by Independent Hearing Examiner, Bryan Neal, the Administrator of Consumer Credit issues the following findings, conclusions and orders.

### **JURISDICTION AND AUTHORITY**

The Administrator of Consumer Credit (Administrator) has administrative authority to administer, interpret and enforce the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, 59 O.S. §§ 2095 *et seq.* (SAFE Act). 59 O.S. § 2095.1 (2).

#### **Penalties**

(A). In order to ensure the effective supervision and enforcement of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, the Administrator of Consumer Credit may, after notice and hearing pursuant to Article II of the Administrative Procedures Act, impose any or any combination of the following penalties:

(1.) Deny, suspend, revoke, censure, place on probation or decline to renew a license for a violation of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, any rules promulgated pursuant to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act and any order of the Administrator or an independent hearing

examiner issued pursuant to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act;

(2.) Deny, suspend, revoke, censure, place on probation or decline to renew a license if an applicant or licensee fails at any time to meet the requirements of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act or withholds information or makes a material misstatement in an application for a license or renewal of a license;

(3.) Order restitution against entities or individuals subject to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act for violations of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act; or

(4.) Issue orders or directives under the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act as follows:

(a) order or direct entities or individuals subject to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act to cease and desist from conducting business, including immediate temporary orders to cease and desist,

(b) order or direct entities or individuals subject to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act to cease any harmful activities or violations of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, including immediate temporary orders to cease and desist,

(c) enter immediate temporary orders to cease business under a license issued pursuant to the authority of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act if the Administrator or an independent hearing examiner determines that such license was erroneously granted or the licensee is currently

in violation of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act,

(d) order or direct such other affirmative action as the Administrator or an independent hearing examiner deems necessary, or

(e) impose a civil penalty of not less than One Hundred Dollars (\$100.00) nor more than Two Thousand Five Hundred Dollars (\$2,500.00) for each violation of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act against a licensee or any other entity or individual subject to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, not to exceed Five Thousand Dollars (\$5,000.00) for all violations resulting from a single incident or transaction.

(B). Any immediate temporary order to cease and desist issued pursuant to the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act shall comply with the requirements for emergency orders under Article II of the Administrative Procedures Act.

(C). Any administrative order or settlement agreement imposing a civil penalty pursuant to this section may be enforced in the same manner as civil judgments in this state. The Administrator may file an application to enforce an administrative order or settlement agreement in the district court of Oklahoma County.

(D). The Administrator shall appoint an independent hearing examiner to conduct all administrative hearings involving alleged violations of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act. The independent hearing examiner shall have authority to exercise all powers granted by Article II of the Administrative Procedures Act in conducting hearings. The independent hearing examiner shall have authority to recommend penalties authorized by the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act

and issue proposed orders, with proposed findings of fact and proposed conclusions of law, to the Administrator pursuant to Article II of the Administrative Procedures Act. The Administrator shall review the proposed order and issue a final agency order in accordance with Article II of the Administrative Procedures Act. Any person aggrieved by a final agency order of the Administrator may obtain judicial review in accordance with the Oklahoma Administrative Procedures Act. The venue of any such action shall be in the district court of Oklahoma County. The costs of the hearing examiner may be assessed against the respondent, unless the respondent is the prevailing party. 59 O.S. § 2095.17.

### **FINDINGS OF FACT**

The Administrator finds that the following facts were proven through Respondent's default by clear and convincing evidence:

1. The proceedings in this matter were conducted in accordance with the provisions of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act, 59 O.S. §§ 2095 et seq. and Article II of the Administrative Procedures Act, 75 O.S. §§ 308a-323.

2. Respondent failed to appear in person through its representative(s) or through an attorney at the Emergency Hearing on November 16, 2023, at the scheduled time of 9:30 a.m. or later that same morning when this case was heard at approximately 9:40 a.m., Respondent having received notice of the Emergency Hearing in this matter set for November 16, 2023, at 9:30 a.m., did not personally appear through a representative(s) or through an attorney, after such representatives of Respondent having been personally served a copy, through its representatives, of the Emergency Order and Notice of Hearing filed by the Department herein on November 6, 2023, in Case No. 23-0025-DIS, pursuant to the requirements of Article II of the APA, 75 O.S. §§ 308a-323, was hand-delivered to Respondent through a representative of its registered agent

in the State of Michigan, Republic Registered Agent LLC., on November 9, 2023, which Respondent's Registered Agent's address is 405 W. Greenlawn Avenue, #G11, Lansing, Michigan 48910, through the services of a Process Server, named Gina Sharbowski, 1221 Bowers Street, #103, Birmingham, MI 48012, who provided a copy of a signed Affidavit of Service as an exhibit filed and admitted without objection in this matter, which Affidavit of Service on its face was notarized by an Angelique Rhone, Notary Public-Michigan, Macomb County, MI, whose Commission expires 05/21/2025 and whose seal was affixed to the Affidavit of Service.

3. Respondent is a foreign limited liability company under the jurisdiction of the State of Michigan, Oklahoma Secretary of State filing number 3713106135, active filing status.

4. Respondent is licensed as a mortgage broker in the State of Oklahoma pursuant to the SAFE Act with the following licensing information indicated by NMLS:

(a) Oklahoma license number MBO14872;

(b) NMLS unique identifier number/company ID 1879263;

(c) Mailing address of record is at 34100 Woodward Ave., Ste 200, Birmingham, MI 48009.

5. On June 5, 2023, Respondent was engaged for an examination by Petitioner. Petitioner requested books and records from Respondent to conduct the examination which were due by June 20, 2023. Several attempts were made by Petitioner to contact Respondent, and as of July 24, 2023, Respondent did not provide the requested books and records to conduct the examination.

6. On July 26, 2023, Petitioner sent a Subpoena Duces Tecum via certified mail to Respondent c/o Timothy Dankha at Respondent's registered agent address listed as Incorp

Services Inc., Braniff Building, 324 North Robinson Ave., Ste. 100, Oklahoma City, OK 73102. The date of delivery of the Subpoena Duces Tecum was August 1, 2023. The Subpoena Duces Tecum requested Respondent's books and records to conduct Respondent's examination, and the Respondent's books and records were to be provided to Petitioner by August 26, 2023.

7. On August 17, 2023, Petitioner received an email from Timothy Dankha with some Respondent books and records requested to conduct the examination, but not all Respondent's books and records that were requested. Petitioner responded to Mr. Dankha and requested remaining Respondent books and records were to be provided to Petitioner by August 26, 2023.

8. On August 28, 2023, Respondent had not yet provided remaining Respondent books and records that were requested by Petitioner. Petitioner sent an email to Mr. Dankha on August 28, 2023, requesting remaining Respondent books and records.

9. On August 31, 2023, Petitioner called Mr. Dankha on his cell phone listed on NMLS as (248) 875-9299 and attempted to leave a message but the voicemail box was full. Petitioner called Respondent's business number listed on NMLS as (248) 792-5941 and left a message on the office line asking him to return the call. Petitioner sent an email to Mr. Dankha requesting the remaining Respondent books and records and gave him until September 14, 2023, to provide remaining Respondent books and records otherwise Petitioner would initiate proceedings for a Cease and Desist Order to remain in effect until such time as remaining Respondent books and records were provided.

10. On September 19, 2023, Mr. Dankha sent an email to Petitioner requesting a list of Respondent books and records that needed to be provided to Petitioner. In the body of Mr. Dankha's email was a previous email sent by Petitioner on August 31, 2023 listing all



Respondent books and records needing to be provided to Petitioner.

11. As of the date of the Emergency Order and Notice of Hearing, November 6, 2023, the remaining books and records requested by Petitioner to conduct Respondent's examination have not been provided by Respondent.

### **CONCLUSIONS OF LAW**

The Administrator of Consumer Credit concludes as follows:

1. Respondent has violated 59 O.S. § 2095.23(D) by failing to provide documents in order for Petitioner to conduct an examination.
2. Respondent has violated 59 O.S. § 2095.23(B) by failing to respond to a lawful subpoena.

### **ORDER**

Based upon the findings of fact and conclusions of law in this individual proceeding and based in part upon the recommendation of the Independent Hearing Examiner, the Administrator of Consumer Credit issues the following orders:

1. Respondent is licensed as a mortgage broker in the State of Oklahoma pursuant to the SAFE Act with the following licensing information indicated by NMLS: (a) Oklahoma license number MB14872; (b) NMLS unique identifier number/company ID 1879263; (c) mailing address of record at 34100 Woodward Ave., Ste. 200, Birmingham, MI 48009, and has violated 59 O.S. § 2095.23(D) and § 2095.23(B) for failure to provide books and records in order for Petitioner to conduct an examination; and for failure to respond to a lawful Subpoena Duces Tecum.
2. Accordingly, the existing Cease and Desist Order should continue against Respondent and remain in place until such time as Respondent complies with Petitioner's request

for books and records from Respondent in order for Petitioner to conduct an examination and that Respondent respond to a lawful Subpoena Duces Tecum issued and sent to Respondent on July 26, 2023, and as Respondent through its default, is not the prevailing party in this Emergency Hearing matter, Respondent should be assessed all of the costs of the Independent Hearing Examiner incurred in this matter as authorized in 59 O.S. § 2095.17(D) payable to Petitioner.

So ordered this 11th day of December, 2023.

