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BEFORE THE DEPARTMENT OF CORPORATIONS

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OF THE STATE OF CALIFORNIA

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12 THE CALIFORNIA CORPORATIONS)
COMMISSIONER,)

File No.: 413-0236

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Complainant,)

**ACCUSATION IN SUPPORT OF
REVOCATION OF CALIFORNIA
RESIDENTIAL MORTGAGE LENDER
AND MORTGAGE LOAN SERVICER
LICENSE**

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v.)

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16 ACCREDITED HOME LENDERS, INC.,)

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Respondent.)

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21 The Complainant, California Corporations Commissioner ("Commissioner"), is informed and
22 believes, and based upon such information and belief, alleges and charges Accredited Home Lenders,
23 Inc. ("Respondent") as follows:

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I.

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26 Respondent is a residential mortgage lender and mortgage loan servicer licensed by the
California Department of Corporations pursuant to the California Residential Mortgage Lending Act
27 ("CRMLA") (California Financial Code sections 50000 *et seq.*). Respondent has its principal place
28 of business located at 15253 Avenue of Science, Building 1, San Diego, CA 92128.

II.

Pursuant to Financial Code section 50200, each licensee is required to submit a comprehensive audited financial report ("Audit Report") audited by an independent certified public accountant for the end of the licensee's fiscal year. On or about December 23, 2008, the Commissioner notified Respondent in writing that it was required to submit its Audit Report for its fiscal year ending on December 31, 2008 no later than April 15, 2009. Respondent was further notified that its failure to file the Audit Report may result in assessment of fines, an immediate examination by the Commissioner, and/or revocation of Respondent's license. Respondent did not file its Audit Reports. On or about April 16, 2009, the Commissioner again notified Respondent in writing that it had failed to file its Audit Report and it was required to file the Audit Report within ten (10) days of the date of the letter. Respondent failed to file its Audit Report in violation of Financial Code section 50200.

III.

Pursuant to Financial Code sections 50307, 50401 and California Code of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report") on or before March 1st of each year for the preceding 12-month period ended December 31. On or about January 23, 2009, an Activity Report form was sent to all CRMLA licensees with a notice that its Activity Report was due on or before March 1, 2009. Respondent failed to submit the Activity Report to the Commissioner in violation of Financial Code sections 50307, 50401 and California Code of Regulations, title 10, section 1950.314.8.

IV.

On May 1, 2009, Respondent filed Chapter 11 bankruptcy in the United States Bankruptcy Court for the District of Delaware.

V.

Financial Code section 50327 provides in pertinent part:

- (a) The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if the commissioner finds that: (1) the

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licensee has violated any provision of this division or any rule or order of the commissioner thereunder; or (2) any fact or condition exists that, if it had existed at the time of the original application for license, reasonably would have warranted the commissioner in refusing to issue the license originally.

Financial Code section 50311 states:

Nothing in this law shall preclude a person whose license has been suspended or revoked, summarily or otherwise, from making a residential mortgage loan pursuant to a commitment issued by that person prior to the suspension or revocation. A prospective borrower who received a commitment issued by a person whose license has been suspended or revoked may, prior to the closing of the loan, terminate the commitment or receive a refund of all money paid to that person.

VI.

The Commissioner finds that, by reason of the foregoing, Accredited Home Lenders, Inc. has violated California Financial Code sections 50200, 50307, 50401 and California Code of Regulations, title 10, section 1950.314.8, and based thereon grounds exist to revoke the residential mortgage lender and mortgage loan servicer license of Accredited Home Lenders, Inc.

WHEREFORE, IT IS PRAYED that the residential mortgage lender and mortgage loan servicer license of Accredited Home Lenders, Inc. be revoked and, pursuant to Financial Code section 50311, Accredited Home Lenders, Inc. be given a transition period of sixty (60) days within which to complete any loans for which it had prior commitments.

DATED: September 3, 2009
San Diego, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
AFSANEH EGHBALDARI
Corporations Counsel