

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Acting Deputy Commissioner
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4 Department of Corporations
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10	In the Matter of the Accusation of THE)	File No.: 413-0612
11	CALIFORNIA CORPORATIONS)	
12	COMMISSIONER,)	ACCUSATION IN SUPPORT OF
13	Complainant,)	REVOCATION OF CALIFORNIA
14	v.)	RESIDENTIAL MORTGAGE LENDER AND
15	PERFORMANCE CREDIT CORPORATION,)	RESIDENTIAL LOAN SERVICER LICENSE
16	Respondent.)	
17)	

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19 Complainant is informed and believes, and based upon such information and belief alleges
20 and charges as follows:

21 I

22 Performance Credit Corporation, formerly known as Encore Credit Corporation,
23 (“Respondent”) is a residential mortgage lender and residential mortgage loan servicer licensed by
24 the Commissioner of Corporations of the State of California (“Commissioner” or “Complainant”)
25 pursuant to the California Residential Mortgage Lending Act (“CRMLA”), which is codified at
26 California Financial Code section 50000 *et seq.* Respondent’s main office is located at 2040 Main
27 Street, Suite 800B, Irvine, CA 92614.

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II

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2 1. On or about August 2, 2007, the Commissioner received a letter from Respondent
3 dated July 31, 2007. Respondent's letter informed the Commissioner that Respondent had not been
4 "actively lending" since February 9, 2007, had closed all loans, and that there were "no loans in the
5 pipeline." Respondent advised that, due to "changes in its corporate business plan," it was
6 surrendering its CRMLA license. Although the letter purported to return the actual license, no such
7 license was enclosed with the letter.

8 2. On or about August 10, 2007, the Commissioner mailed a letter to Respondent. The
9 letter informed that surrender of a CRMLA license could not be completed unless the licensee filed
10 a proposed plan with the Commissioner outlining how it would conduct an orderly closing of its
11 residential mortgage lending and loan servicing business. The letter included a list of documents
12 needed and requested an explanation of Respondent's closure, as required by Financial Code
13 section 50123.

14 3. On or about September 21, 2007, the Commissioner received a letter from
15 Respondent dated September 4, 2007. In that letter, Respondent informed that it had no CRMLA
16 business operations to close out. Respondent further asserted that since it had already returned the
17 actual license to the Commissioner, it was of the belief that it had complied with all Financial Code
18 requirements.

19 4. On or about October 1, 2007, the Commissioner mailed a letter to Respondent. The
20 letter again advised Respondent that it was required to file a proposed plan with the Commissioner
21 outlining how it would conduct an orderly closing of its CRMLA business in compliance with
22 Financial Code section 50123.

23 5. On or about October 17, 2007, the Commissioner commenced a regulatory
24 examination of the books and records of Respondent through his examination staff ("Examination
25 Staff"). The regulatory examination revealed that Respondent's financial statements were not
26 current as required by Financial Code section 50314. Respondent was advised that the statements
27 were prepared through March 31, 2007 but should have been updated through at least August 31,
28 2007.

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WHEREFORE, IT IS PRAYED that the residential mortgage lender and residential mortgage loan servicer license of Performance Credit Corporation be revoked.

Dated: June 19, 2008
Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Miranda L. Maison
Senior Corporations Counsel