

§ 53-244.114. Licensure and registration authority.

(a) The Commissioner may, by order, deny, suspend, revoke, or refuse to issue or renew a license or registration of a licensee, registrant, or applicant under this Article, or may restrict or limit the manner in which a licensee, registrant, applicant, any person who owns an interest in or participates in the business of a licensee and engages in the mortgage business, or any person who owns an interest in or participates in the business of a registrant and engages in the business of a registrant, if the Commissioner finds both of the following:

- (1) That the order is in the public interest; and
- (2) That any of the following circumstances apply to the applicant, licensee, registrant, or any partner, member, manager, officer, director, loan originator, qualifying individual, or any person occupying a similar status or performing similar functions or any person directly or indirectly controlling the applicant, licensee, or registrant. The person:
 - a. Has filed an application for licensure or registration, report, or other document to the Commissioner that, as of its effective date or as of any date after filing, contained any statement that, in light of the circumstances under which it was made, is false or misleading with respect to any material fact.
 - b. Has violated or failed to comply with any provision of this Article, rule adopted by the Commissioner, or order of the Commissioner.
 - c. Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the mortgage business.
 - d. Is the subject of an order of the Commissioner denying or suspending that person's (i) license as a mortgage loan originator, transitional mortgage loan originator, mortgage broker, mortgage lender, or mortgage servicer or (ii) registration as a registrant or its equivalent.
 - e. Is the subject of an order entered within the past five years by the authority of any state or federal agency with jurisdiction over the mortgage brokerage, mortgage lending, or mortgage servicing industry.
 - f. Fails at any time to meet the requirements of G.S. 53-244.060, 53-244.070, 53-244.080, 53-244.090, 53-244.100, 53-244.103, or 53-244.104.
 - g. Controls or has controlled any mortgage broker, mortgage lender, mortgage servicer, or registrant or its equivalent who has been subject to an order or injunction described in sub-subdivision c., d., or e. of this subdivision.
 - h. Has been the qualifying individual, branch manager, mortgage loan originator, or transitional mortgage loan originator of a licensee or registrant who had knowledge of or reasonably should have had knowledge of, or participated in, any activity that resulted in the entry of an order under this Article suspending or withdrawing the license of a licensee or registration of a registrant.
 - i. Has failed to respond to inquiries from the Commissioner or the Commissioner's designee regarding any complaints filed against the licensee or registrant which allege or appear to involve violation of this Article or any law or rule affecting the mortgage lending business.

j. Has failed to respond to and cooperate fully with notices from the Commissioner or the Commissioner's designee relating to the scheduling and conducting of an examination or investigation under this Article.

(b) In the event the Commissioner has reason to believe that a licensee, registrant, individual, or person subject to this Article may have violated or failed to comply with any provision of this Article, the Commissioner may take either of the following actions:

- (1) Summarily order the licensee, registrant, individual, or person to cease and desist from any harmful activities or violations of this Article.
- (2) Summarily suspend the (i) license of the licensee under this Article or (ii) the registration of a registrant under this Article.

These summary powers are in addition to the summary suspension procedures authorized by G.S. 150B-3(c). (2009-374, s. 2; 2013-327, s. 12; 2013-412, ss. 4, 4.1; 2015-293, s. 1.)