

PUBLIC STATEMENT

Executive Home Loan brokers and originates loans to consumers who own real estate in California. Although a small business entity, Executive is an industry leader in the California mortgage market. Executive prides itself with satisfying all of its customers by providing them the best, and most professional, customer service available in the mortgage industry.

Executive engages in various marketing efforts to provide its services to the public. As part of its marketing campaign, Executive engages in telemarketing to California consumers. Executive lawfully purchases leads from third-party vendors so it could market its services to California consumers. At all relevant times, the vendors had represented to Executive that they scrubbed the leads against the National Do Not Call List prior to selling them to Executive. Executive reasonably relied on those representations in good faith. Executive also maintained an internal do-not-call list to ensure that it did not contact consumers who had previously requested to be removed from Executive's telemarketing database.

In 2004, the Federal Trade Commission notified Executive that it was not registered with the Federal National Do Not Call Registry. The FTC, therefore, requested information from Executive about its telemarketing activities to individuals on the National Do Not Call List. The FTC's inquiry did not suggest or claim that Executive engaged in fraud, misrepresentations, or any deceptive practices — the sole purpose of the FTC's inquiry was to determine why Executive had been making calls to individuals on the National Do Not Call List.

After the FTC requested information from Executive, it discovered that the leads it purchased from third-party vendors were not scrubbed against the National Do Not Call List. This resulted in Executive making unintentional calls to consumers on the List. Since Executive relied on the representations made by the vendors, these calls were inadvertent and not based on willful conduct. After its discovery, Executive promptly registered as a seller with the National Do Not Call Registry. Since then, Executive has been downloading the Federal Do Not Call List and scrubbing all of its leads against the List to ensure that it is not telemarketing its services to consumers on the List.

Executive cooperated with all of the FTC's requests and ultimately reached a settlement with the FTC in lieu of engaging in costly litigation. As a small business entity, Executive believed it could better serve its customers and other consumers by focusing its limited resources to providing outstanding loan products to real property owners, instead of spending time and money on unnecessary litigation. The settlement, therefore, allowed Executive to continue to focus on its core business model of providing outstanding loan products to consumers in California.

Executive maintains policies and procedures for training employees to ensure that the Company complies with all applicable laws, including any government regulations related to the mortgage-lending industry. Executive is an active California corporation in good standing with the California Secretary of State. Executive also has an excellent rating with the Better Business Bureau. Executive has not been the subject of any other state or federal enforcement inquiry. We encourage you to contact us about the various loan products we offer, and look forward to providing you with outstanding service.