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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:

THE COMMISSIONER OF BUSINESS
OVERSIGHT,

Complainant,

v.

ASSURITY CAPITAL, LLC,

Respondent.

STATEMENT OF ISSUES

Complainant, the Commissioner of Business Oversight (“Commissioner”) is informed and believes, and based upon such information and belief, alleges and charges Respondent Assurity Capital, LLC (“Assurity”) as follows:

I

Introduction

The Commissioner seeks to deny the issuance of a finance lender license to Assurity pursuant to section 22109 of the California Finance Lenders Law (“CFLL”) (Fin. Code § 22000 et seq.) on the grounds that: 1) false statements of material fact have been made in Assurity’s

1 application; 2) an officer of the applicant has committed an act of dishonesty by making a false
 2 statement on the application; and 3) and an officer has violated a provision of the CFL, Financial
 3 Code section 22170(a), by filing a false application.

4 **II**

5 **The Application**

6 On or about December 4, 2014, Assurity, a California limited liability company, submitted
 7 an application for a finance lender license with the Commissioner (File No. 60DBO-43785) using
 8 the Nationwide Mortgage Licensing System and Registry (“NMLS”), hereinafter (“Application”),
 9 pursuant to Financial Code section 22101. The Application identified Kourosh Kavooosi
 10 (“Kavooosi”) as Assurity’s sole officer and director who verified the Application under penalty of
 11 perjury.

12 As part of the Application, Kavooosi was required to disclose any prior regulatory actions.
 13 Specifically, the Application asks the following question:

14 “Has any State or federal regulatory agency or foreign financial regulatory authority or
 15 self-regulatory organization (SRO) ever . . . revoked your registration or license?”

16 As sole owner, on behalf of Assurity, Kavooosi answered “NO” to this question. This
 17 answer was false. The California Bureau of Real Estate revoked Kavooosi’s salesperson license on
 18 April 22, 2009.

19 Assurity’s Application contains the following attestation clause:

20 I Kourosh Kavooosi (32381), (Applicant) on this date Thursday,
 21 December 04, 2014 swear (or affirm) that I executed this application
 22 on my own behalf, and agree to and represent the following:

- 23 (1) That the information and statements contained herein, including
 24 exhibits attached hereto, and other information filed herewith, all of
 25 which are made a part of this application, are current, true, accurate
 26 and complete and are made under the penalty of perjury, or un-
 27 sworn falsification to authorities, or similar provisions as provided
 28 by law;
- (2) To the extent any information previously submitted is not
 amended and hereby, such information remains accurate and
 complete;
- (3) That the jurisdiction(s) to which an application is being

1 submitted may conduct any investigation into my background, in
2 accordance with all laws and regulations;
3 (4) To keep the information contained in this form current and to file
4 accurate supplementary information on a timely basis; and
5 (5) To comply with the provisions of law, including the maintenance
6 of accurate books and records, pertaining to the conduct of business
7 for which I am applying.

8 If an Applicant has made a false statement of a material fact in this
9 application or in any documentation provided to support the
10 foregoing application, then the foregoing application may be denied.

11 I verify that I am the named person above and agree to the language
12 as stated.

13 **III**

14 **Conclusion**

15 Complainant finds, by reason of the foregoing, that 1) a false statement of material fact has
16 been made in Assurity's Application; 2) an officer of the applicant has committed an act of
17 dishonesty by making a false statement on the application; and 3) an officer has violated a
18 provision of the CFL, Financial Code section 22170(a), by filing a false application.

19 The findings set forth above constitute grounds under Financial Code sections 22109 to
20 deny the issuance of the finance lender license to Assurity.

21 Section 22109 of the Financial Code states in pertinent part:

22 (a) Upon reasonable notice and opportunity to be heard, the
23 commissioner may deny the application for a finance lender or
24 broker license for any of the following reasons:

25 (1) A false statement of a material fact has been made in the
26 application.

27 (2) The applicant or an officer, director, general partner, person
28 responsible for the applicant's lending activities in this state, or
person owning or controlling, directly or indirectly, 10 percent or
more of the outstanding interests or equity securities of the applicant
has, within the last 10 years, been convicted of or pleaded nolo
contendere to a crime, or committed an act involving dishonesty,
fraud, or deceit, if the crime or act is substantially related to the
qualifications, functions, or duties of a person engaged in business

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in accordance with this division.

(3) The applicant or an officer, director, general partner, person responsible for the applicant's lending activities in this state, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has violated any provision of this division or the rules thereunder or any similar regulatory scheme of the State of California or a foreign jurisdiction

THEREFORE, the Commissioner is justified under Financial Code section 22109 in denying the issuance of a finance lender license to Assurity Capital, LLC.

WHEREFORE, the Commissioner prays the application for a finance lenders license filed by Assurity Capital, LLC on December 4, 2014 be denied.

Dated: June 29, 2015

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
Danielle A. Stoumbos, Counsel
Enforcement Division