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10 **BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT**
11 **OF THE STATE OF CALIFORNIA**

13 In the Matter of:
14
15 THE COMMISSIONER OF BUSINESS
16 OVERSIGHT
17 Complainant,
18 v.
19 JOSE IGNACIO CORTEZ, an individual,
20 Respondent.

NMLS NO.: 1093805

ORDER DENYING APPLICATION FOR
MORTGAGE LOAN ORIGINATOR
LICENSE

21 The Commissioner of Business Oversight, formerly the Commissioner of Corporations
22 (“Commissioner”), finds that:

23 1. On or about October 10, 2013, Respondent, Jose Ignacio Cortez, filed an application
24 for a mortgage loan originator license with the Commissioner pursuant to the California
25 Residential Mortgage Lending Act (Financial Code sections 50000 et seq.), in particular, Financial
26 Code section 50140. The application was submitted to the Commissioner by filing Form MU4
27 through the Nationwide Mortgage Licensing System (“the Application”).
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2 2. The Application at Question F specifically asked: “Have you ever been convicted
3 of or pled guilty or nolo contendere (‘no contest’) in a domestic, foreign, or military court to any
4 felony?” Respondent answered, “yes.”

5 3. In providing details about the felony conviction, Cortez stated he was charged in a
6 military court with “conspiracy to commit Larceny.” Documentation provided by Cortez during the
7 application process discloses that Cortez, in the U.S. Navy-Marine Court of Criminal Appeals, was
8 found guilty, on or about September 22, 1995, of three charges: (1) conspiracy, (2) failure to obey
9 order or regulation, and (3) larceny and wrongful appropriation. Cortez was sentenced to six years
10 confinement, forfeiture of all pay and allowances, and a dishonorable discharge.

11 4. Larceny is a crime of moral turpitude, involving fraud and breach of trust. (See
12 *United States v. Keleher*, (C.M.A. 1963) 14 U.S.C.M.A. 125, 129.)

13 5. Section 50141 of the CRMLA, provides in relevant part:

14 (a) The commissioner shall deny an application for a mortgage loan
15 originator license unless the commissioner makes, at a minimum, the
16 following findings:

17 . . .

18 (2)(A) The applicant has not been convicted of, or pled guilty or nolo
19 contendere to, a felony in a domestic, foreign, or military court during
20 the seven-year period preceding the date of the application for
21 licensing and registration, or at any time preceding the date of
22 application, if the felony involved an act of fraud, dishonesty, or a
23 breach of trust, or money laundering. Whether a particular crime is
24 classified as a felony shall be determined by the law of the jurisdiction
25 in which an individual is convicted.

26 . . .

27 (3) The applicant has demonstrated such financial responsibility,
28 character, and general fitness as to command the confidence of the
community and to warrant a determination that the mortgage loan
originator will operate honestly, fairly, and efficiently within the
purposes of this division.

(Fin. Code § 50141.)

6. The Commissioner finds, by reason of the foregoing, that Respondent does not meet
two of the minimum requirements for issuance of a mortgage loan originator license, namely,

1 Financial Code section 50141, subdivisions (a)(2)(A) and (a)(3), as follows: (1) Respondent has,
2 preceding the date of the Application, pled guilty to a felony involving an act of fraud, dishonesty,
3 a breach of trust, or money laundering and (2) based on the existence of the felony, Respondent
4 has not demonstrated such financial responsibility, character, and general fitness as to command
5 the confidence of the community and warrant a determination that he will operate honestly, fairly,
6 and efficiently within the purposes of this division. Therefore, pursuant to Financial Code section
7 50141, subdivision (a) the Commissioner shall deny Respondent’s Application for a mortgage loan
8 originator license.

9 7. On April 29, 2015, the Commissioner issued a Notice of Intention to Deny
10 Application for Mortgage Loan Originator License, Statement of Issues in Support of Non-
11 Issuance of Mortgage Loan Originator License and accompanying documents based on the above
12 findings. On or around May 12, 2015, Respondent was served with those documents at the
13 address filed by Respondent on his Application with the Commissioner. The Commissioner has
14 received no request for a hearing and the time to request a hearing has expired.

15 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the
16 Application for a mortgage loan originator license of Jose Ignacio Cortez is denied. This order is
17 effective as of the date thereof.

18 Dated: June 25, 2015
19 San Diego, CA

JAN LYNN OWEN
Commissioner of Business Oversight

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21 By _____
22 MARY ANN SMITH
23 Deputy Commissioner
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