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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

10 In the Matter of:) NMLS ID.: 1524493
11)
12 THE COMMISSIONER OF BUSINESS) ORDER DENYING APPLICATION FOR
OVERSIGHT,) MORTGAGE LOAN ORIGINATOR LICENSE
13)
14 Complainant,)
15 v.)
16 EPHRAIM GIRON GOLTIAO,)
17 Respondent.)
18)
19)

20 The Commissioner of Business Oversight Commissioner) finds that:

21 1. On or around November 18, 2016, Ephraim Giron Goltiao (Goltiao) filed an application for a
22 mortgage loan originator (“MLO”) license with the Commissioner by submitting a Form MU4
23 through the Nationwide Mortgage Licensing System & Registry (NMLS) (hereinafter, “Application”)
24 pursuant to Financial Code section 50140. On the MU4 form, Goltiao answered “No” to questions on
25 the Application regarding his history, including: (1) criminal disclosures, including, but not limited
26 to, whether he had ever been convicted of or pled guilty to any felony, or misdemeanor involving
27 fraud or forgery; and, (2) regulatory actions disclosures, including, but not limited to, findings by a
28 regulatory agency or self-regulatory organization (“SRO”) that led to suspension, revocation, or

1 restriction of a license, and disciplinary orders. The Application also required Goltiao to explain in
2 detail any “Yes” answers to these questions.

3 2. Investigation by the Department of Business Oversight (Department) of Goltiao’s Application
4 revealed that Goltiao had been charged in a felony complaint filed on July 12, 1999 in Santa Clara
5 County Superior Court (Case Number E9911375) with felony Forgery and the making of a False
6 Financial Statement, in violation of Penal Code section 532a. The complaint contained allegations
7 that Goltiao had forged the name of a co-signer and provided other false information, including false
8 social security numbers, on an application for a car loan that Goltiao obtained in 1998. The car was
9 later repossessed and when the co-signor was contacted for collection, she reported to the police that
10 the signature on the loan application was not hers. It was also learned through the Department’s
11 investigation of the Application that the Goltiao's real estate license had been revoked by a noticed
12 regulatory action on June 13, 2002 by the California Bureau of Real Estate (BRE; formerly the
13 Department of Real Estate). The revocation action by the BRE was based on a conviction for Penal
14 Code section 523a, which the BRE found involved a crime of moral turpitude that made Goltiao
15 unqualified for the duties of a real estate sales agent according to the pleadings in that action.
16 Goltiao did not contest the BRE’s revocation action.

17 3. During its investigation of the Application, the Department contacted Goltiao about the
18 matters that had not been disclosed on the Application, as required, and requested an explanation. In
19 response, Goltiao produced court records indicating that on November 9, 2000, Goltiao had agreed to
20 a plea bargain agreement where he pled guilty and had been convicted of one misdemeanor count of
21 False Financial Statement in violation of Penal Code section 532a, subdivision (1) (the obtaining of
22 money or property by means of false representations in writing) in exchange for a dismissal of the
23 Felony Forgery Charge. Goltiao was sentenced to three years’ probation and 90 days in jail pursuant
24 to that conviction.

25 4. Financial Code section 50141 provides in relevant part:

26 (a) The commissioner **shall** deny an application for a mortgage loan
27 originator license unless the commissioner makes **at a minimum the**
28 **following findings: . . .**

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

5 5. The Commissioner finds that Goltiao does not meet the minimum requirements for issuance
6 of a mortgage loan originator license as set forth in Financial Code section 50141 based on the
7 following actions: (1) Goltiao made a material misrepresentation on the application form for the
8 MLO license indicating that he had no prior criminal convictions involving fraud; (2) Goltiao made a
9 material misrepresentation on the application form for the MLO license indicating that he had not
10 been subject to any findings by a regulatory agency that led to revocation of a license; (3) the
11 alleged actions leading to the criminal conviction for Penal Code section 532a, subdivision (1),
12 involved fraud on loan applications and financial documents of the type used in the mortgage
13 industry and demonstrated acts of moral turpitude by Goltiao. These acts bely the requirement under
14 Financial Code section 50141, subdivision (a)(3), that the applicant demonstrate “such financial
15 responsibility, character, and general fitness as to command the confidence of the community and to
16 warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently
17 within the purposes of this division.”

18 6. On June 28, 2017, the Commissioner issued to Goltiao a Notice of Intention to Issue Order
19 Denying Mortgage Loan Originator License Application (“Notice of Intention”) and accompanying
20 documents based on the above findings. Goltiao was served with those documents on July 21, 2017
21 via certified and regular mail at the address filed on his application with the Department. No request
22 for hearing or other opposition to the Notice of Intention was received by the Commissioner in the
23 time specified by law.

24
25 THEREFORE, the Commissioner finds by reason of the forgoing that she is mandated under
26 Financial Code section 50141 to deny Goltiao’s mortgage loan originator license application under
27 the California Residential Mortgage Lending Act.
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NOW GOOD CAUSE APPEARING THEREFOR, it is hereby ordered that the mortgage loan originator license application of Ephraim Giron Goltiao, described in Paragraph 1 above, is denied. This order is effective as of the date hereof.

Dated: August 10, 2017
Sacramento, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
Mary Ann Smith
Deputy Commissioner
Enforcement Division