

1 MARY ANN SMITH
Deputy Commissioner
2 MIRANDA LEKANDER
Assistant Chief Counsel
3 JEREMY F. KOO (State Bar No. 300225)
Counsel
4 Department of Business Oversight
1515 K Street, Suite 200
5 Sacramento, California 95814
Telephone: (916) 327-2610
6 Facsimile: (916) 455-6985

7 Attorneys for Complainant

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

11 In the Matter of:) NMLS NO. 1267062
12 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,) ACCUSATION TO BAR JAME JAY
13) HOLLOWAY FROM EMPLOYMENT,
Complainant,) MANAGEMENT OR CONTROL OF ANY
14 v.) FINANCE LENDER, BROKER, OR
JAME JAY HOLLOWAY,) MORTGAGE LOAN ORIGINATOR
16) PURSUANT TO FINANCIAL CODE
Respondent.) SECTION 22169
17)
18)

19 The Complainant, the Commissioner of Business Oversight (Commissioner), files this
20 Accusation to bar Jame Jay Holloway (Holloway) from any position of employment, management or
21 control of any finance lender, broker, or mortgage loan originator pursuant to Financial Code section
22 22169. The Commissioner alleges and charges as follows:

23 I.

24 INTRODUCTION

25 1. The Commissioner licenses and regulates mortgage loan originators, finance lenders and
26 brokers under the California Financing Law¹ (Fin. Code § 22000 et seq.) (CFL).
27

28 ¹ Effective October 4, 2017, the name of the “California Finance Lenders Law” changed to the “California Financing Law.” (Assem. Bill No. 1284 (2017-2018 Reg. Sess.) § 4.) For purposes of this document, a reference to the California

1 2. To become licensed by the Commissioner as a mortgage loan originator (MLO), an
2 individual must submit a uniform application form (known as the MU2 or MU4 form) through the
3 Nationwide Mortgage Licensing System & Registry (NMLS). The NMLS contains a detailed set of
4 instructions for filing license applications, including a checklist of items to be completed by the
5 applicant, who is fully responsible for all the requirements of the license.

6 3. On or about December 29, 2016, Holloway filed an application for a MLO license with the
7 Commissioner (file number 1267062; hereinafter, "Application") by submitting a Form MU4
8 through the NLMS.

9 4. Concurrently with this Accusation, the Commissioner noticed her intent to issue an order
10 denying Holloway's pending application.

11 5. The Commissioner brings this action to bar Holloway from any position of employment,
12 management or control of any finance lender, broker or mortgage loan originator because Holloway
13 has been convicted of or pleaded nolo contendere to a crime involving dishonesty, fraud, or deceit,
14 or any other offense reasonably related to the qualifications, functions, or duties of a person engaged
15 in the business in accordance with the provisions of the CFL, pursuant to Financial Code section
16 22169, subdivision (a)(2).

17 **II.**

18 **HOLLOWAY'S 1995 EMBEZZLEMENT PLEA AND CONVICTION**

19 6. On or about June 23, 1995, Holloway pled nolo contendere to a charge of felony
20 embezzlement in a Michigan criminal court for an incident that occurred on or about December 7,
21 1994. Holloway was subsequently convicted of the felony embezzlement charge.

22 7. In 1994, former Michigan Compiled Laws section 750.174, as amended (1957 PA 169,
23 subsequently amended by 1998 PA 312, 2006 PA 573) read in pertinent part:

24 Any person who as the agent, servant or employee of another, or as the
25 trustee, bailee or custodian of the property of another . . . shall
26 fraudulently dispose of or convert to his own use, or take or secrete
27 with intent to convert to his own use without the consent of his
principal, any money or other personal property of his principal which
shall have come to his possession or shall be under his charge or

28 Finance Lenders Law means the California Finance Lenders Law before October 4, 2017 and the California Financing
Law on and after that date. (Cal. Fin. Code, § 22000.)”

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

control by virtue of his being such agent, servant, employee, trustee, bailee or custodian, as aforesaid, shall be guilty of the crime of embezzlement, and upon conviction thereof . . . if the money or personal property so embezzled be of the value of more than \$ 100.00 , such person shall be guilty of a felony, punishable by imprisonment in the state prison not more than 10 years or by a fine not exceeding \$ 5,000.00. . . .

III.

GROUNDS TO BAR

8. Financial Code section 22169, subdivision (a), authorizes the Commissioner to bar individuals from any position of employment, management, or control of any finance lender, broker, or mortgage loan originator and provides in relevant part:

(a) The commissioner may, after appropriate notice and opportunity for hearing, by order, censure or suspend for a period not exceeding 12 months, or bar from any position of employment, management, or control any finance lender, broker, mortgage loan originator, or any other person, if the commissioner finds either of the following:

. . .

(2) That the person has been convicted of or pleaded nolo contendere to any crime, . . . if that crime . . . involved any offense involving dishonesty, fraud, or deceit, or any other offense reasonably related to the qualifications, functions, or duties of a person engaged in the business in accordance with the provisions of this division.

IV.

IT IS IN THE PUBLIC INTEREST TO BAR HOLLOWAY

9. Grounds exist to bar Holloway from participating in any business activity of a finance lender, broker, or mortgage loan originator, and from engaging in any business activity on the premises where a finance lender, broker, or mortgage loan originator is conducting business pursuant to Financial Code section 22169, subdivision (a)(2) because the Commissioner finds that Holloway has been convicted of or pleaded nolo contendere to embezzlement in the State of Michigan, a crime involving dishonesty, fraud, or deceit, or any other offense reasonably related to the qualifications, functions, or duties of a person engaged in the business in accordance with the provisions of the CFL.

///
///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

V.

CONCLUSION

Based on the foregoing, the Commissioner’s action to bar Jame Jay Holloway pursuant to Financial Code section 22169, subdivision (a)(2) is in the public interest.

WHEREFORE, the Commissioner informs Jame Jay Holloway of her intent to issue and make final an order barring him from any position of employment, management or control of any finance lender, broker, or mortgage loan originator.

Dated: December 21, 2017
Sacramento, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
JEREMY F. KOO
Counsel
Enforcement Division