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

12 In the Matter of:)	CFL FILE NO.: 60DBO-59316
13)	
14 THE COMMISSIONER OF BUSINESS)	
OVERSIGHT,)	STATEMENT OF ISSUES IN SUPPORT OF
15)	NOTICE OF INTENT TO DENY
Complainant,)	CALIFORNIA FINANCE BROKER LICENSE
16)	APPLICATION OF INNOVA LENDING LLC
v.)	PURSUANT TO FINANCIAL CODE
17)	SECTION 22109
18 INNOVA LENDING LLC,)	
19)	
Respondent.)	
20)	

22 Complainant, the Commissioner of Business Oversight (Commissioner) alleges and charges
23 Respondent Innova Lending LLC (Innova) as follows:

24 **I.**
25 **INTRODUCTION**

26 1. The Commissioner seeks to deny the application for a finance broker license filed by
27 Innova pursuant to section 22109 of the California Finance Lenders Law (CFLL) (Fin. Code, § 22000
28 et seq.) on the grounds that: (1) a false statement of material fact has been made in Innova's

1 application; (2) an officer of the applicant has committed an act of dishonesty by making a false
2 statement on the application; (3) an officer has violated Financial Code section 22170, subdivision
3 (b), by filing a false application; and (4) an officer has violated a similar regulatory scheme of the
4 State of California.

5 **II.**

6 **THE APPLICATION**

7 2. On or about July 27, 2016, Innova, a Nevada limited liability company, filed an
8 application for a finance broker license with the Commissioner (File No. 60DBO-59316; hereinafter
9 “application”). Roger Philip Doyle (Doyle) verified the application of Innova under penalty of
10 perjury. The application identified Doyle as the manager of Innova.

11 3. In response to Item 3a in the Statement of Identity and Questionnaire (Exhibit C of the
12 application), Doyle responded “No” to the following question:

13 Have you ever been named in any order, judgment or decree of any court
14 or any governmental agency or administrator, temporarily or permanently
15 restraining or enjoining you from engaging in or continuing any conduct,
practice or employment?

16 4. In addition, for Item 4b, Doyle respondent “No” to the following
17 question:

18 Have you ever been refused a license to engage in any business in this
19 state or any other state, or has any such license ever been suspended,
20 revoked, or surrendered subject to a settlement, or any other similar
action?

21 5. For Item 5 of the Statement of Identity and Questionnaire, Doyle answered “No” to the
22 following question:

23 Have you ever been convicted of or pleaded nolo contendere to a
24 misdemeanor or felony other than minor traffic citations that do not
25 constitute a misdemeanor or felony offense?

26 6. Contrary to Doyle’s answer of “No,” Doyle’s records with the Department of Real
27 Estate (now known as the Bureau of Real Estate) show that his real estate broker license was revoked
28 (Case No. H-7148SF) and a restricted license was granted on that same day, effective July 27, 1995.

1 This initial action was based, in part, on Doyle's arrangement of a personal loan with client funds.

2 7. On July 23, 1996, Doyle's restricted license was suspended indefinitely for failure to
3 comply with continuing education requirements as required in Case No. H-7148SF.

4 8. On February 6, 1997, a default decision was rendered in Case No. H-7362SF revoking
5 his restricted real estate broker license, effective March 6, 1997.

6 9. On November 16, 2010, Doyle also petitioned for reinstatement of his real estate
7 broker license. On May 8, 2015, Doyle's petition for reinstatement was denied because he failed to
8 demonstrate that he had undergone sufficient rehabilitation to warrant reinstatement of the license. In
9 reaching his decision, the Real Estate Commissioner noted that Doyle, in his petition application,
10 failed to disclose his felony grand theft conviction which occurred in March 1997.

11 **III.**

12 **GROUNDS TO DENY APPLICATION**

13 10. Financial Code section 22170, subdivision (b), provides:

14 It is unlawful for any person to knowingly make an untrue statement to the
15 commissioner or the Nationwide Mortgage Licensing System and Registry during
16 the course of licensing, investigation, or examination, with the intent to impede,
17 obstruct, or influence the administration or enforcement of any provision of this
18 division.

19 11. Financial Code section 22109, subdivision (a), provides, in pertinent part:

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

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

24 (2) The applicant or an officer, director, general partner, person responsible for the
25 applicant's lending activities in this state, or person owning or controlling, directly
26 or indirectly, 10 percent or more of the outstanding interests or equity securities of
27 the applicant has, within the last 10 years, been convicted of or pleaded nolo
28 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 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

1 or indirectly, 10 percent or more of the outstanding interests or equity securities of
2 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.

3 12. The Commissioner finds, by reason of the foregoing, that grounds exist to deny the
4 finance broker license application of Innova since Doyle answered “No” when asked about prior
5 administrative judgments, prior actions against a license, and prior criminal convictions. By
6 answering “No” to these questions, Doyle made a false statement of material fact in Innova’s
7 application in violation of Financial Code section 22109, subdivision (a)(1). Also, Doyle, an officer
8 of the applicant, committed an act of dishonesty by making a false statement on the license
9 application in violation of Financial Code section 22109, subdivision (a)(2). Similarly, Doyle, an
10 officer of the applicant, violated a provision of the CFLL, Financial Code section 22170, subdivision
11 (b), by filing a false application thereby violating Financial Code section 22109, subdivision (a)(3).
12 Finally, Doyle, an officer of the applicant, violated a similar regulatory scheme administered by the
13 Bureau of Real Estate and, therefore, violated Financial Code section 22109, subdivision (a)(3).

14 13. The findings set forth above constitute grounds under Financial Code section 22109,
15 subdivision (a), to deny the issuance of a finance broker license to Innova Lending LLC, and the
16 Commissioner provides notice of her intention to do so.

17 **IV.**

18 **CONCLUSION**

19 WHEREFORE, based on the foregoing, the Commissioner prays that the application for a
20 finance broker license filed by Innova Lending LLC on July 27, 2016 be denied.

21
22 Dated: May 16, 2017
23 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

24
25 By _____
26 TIMOTHY L. Le BAS
27 Senior Counsel
28 Enforcement Division