

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 JOYCE TSAI (CA BAR NO. 241908)
Corporations Counsel
4 Department of Corporations
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6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11 CALIFORNIA CORPORATIONS) OAH Case No. 2010120682
12 COMMISSIONER,)
13 Complainant,) SETTLEMENT AGREEMENT
14 vs.)
15 DEBORAH ELAINE LOPEZ,)
16 Respondent.)
17)
18)

19 This Settlement Agreement (“Agreement”) is entered into Deborah Elaine Lopez (“Lopez”) and the California Corporations Commissioner (“Commissioner”) with respect to the following facts:

22 **RECITALS**

23 A. On July 2, 2010, Lopez filed an application for a mortgage loan originator license
24 with the Commissioner pursuant to the California Residential Mortgage Lending Act (“CRMLA”) (Financial Code sections 50000 et seq.) and California Finance Lenders Law (“CFLL”) (Financial
25 Code sections 22000 et seq.). The application was for employment or working on behalf of
26 imortgage.com, Inc., as a mortgage loan originator, which has its principal place of business located
27 at 4800 N. Scottsdale Road, Suite 3800, Scottsdale, AZ 85251. The application was submitted by
28

1 filing Form MU4 through the Nationwide Mortgage Licensing System.

2 B. Respondent stated in the Form MU4 that Respondent pled guilty to a felony, welfare
3 fraud, on April 21, 1981.

4 C. Financial Code section 22109.1 provides in relevant part:

5 The commissioner shall not issue a mortgage loan originator
6 license unless the commissioner makes, at a minimum, the
7 following findings:

8 ...

9 (b) The applicant has not been convicted of, or pled guilty or nolo
10 contendere to, a felony ... at any time preceding the date of
11 application, if the felony involved an act of fraud, dishonesty, a
12 breach of trust, or money laundering.

13 Financial Code section 50141 provides in relevant part:

14 The commissioner shall not issue a mortgage loan originator license
15 unless the commissioner makes at a minimum the following findings:

16 ...

17 (b) The applicant has not been convicted of, or pled guilty or nolo
18 contendere to, a felony ... at any time preceding the date of
19 application, if such felony involved an act of fraud, dishonesty, a
20 breach of trust, or money laundering. . . .

21 D. Therefore, the Commissioner determined not to issue a mortgage loan originator
22 license to Lopez.

23 E. On December 15, 2010, the Commissioner issued a Statement of Issues in Support of
24 Non-Issuance of Mortgage Loan Originator License (“Statement of Issues”).

25 F. Lopez requested a hearing on the Statement of Issues. A hearing was held on
26 February 28, 2011. The Commissioner has not yet adopted a decision.

27 G. It is the intention and the desire of the parties to resolve this matter before the
28 Commissioner issues a decision.

NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
forth herein, the parties agree as follows:

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TERMS AND CONDITIONS

1. Lopez agrees to withdraw her application for a mortgage loan originator license on or before October 11, 2011, by filing with the Commissioner a signed letter stating that she hereby withdraws her mortgage loan originator license.

2. Upon receipt of Lopez’s request to withdraw her application for a mortgage loan originator license, the Commissioner agrees to immediately withdraw its decision not to issue a mortgage loan originator license and to dismiss the instant litigation without adopting a decision on the hearing.

3. Nothing in this Agreement shall affect the right of Lopez to apply for another mortgage loan originator license.

4. Nothing in this Agreement shall affect the right of the Commissioner to deny Lopez a mortgage loan originator license on any grounds permitted by law.

5. Each party hereto represents and warrants that it has received independent advice from its attorney(s) and/or other representatives prior to entering into this Agreement, and in executing this Agreement relied solely on the statements set forth herein and the advice of its own counsel and/or representative.

6. In that the parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or part of this Agreement will be applied in any action relating to or arising out of this Agreement. Accordingly, the parties hereby waive the benefit of California Civil Code section 1654 and any successor statute.

7. The waiver of any provision of this Agreement shall not operate to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms of this Agreement must be in writing signed by the parties hereto.

8. Each signatory hereto represents and warrants that he/she possesses the necessary capacity and authority to execute this Agreement and bind the parties hereto.

9. This Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, together, shall be deemed to constitute a single document. A fax

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signature shall be deemed the same as an original signature.

Dated: 10/11/11

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____
Joyce Tsai
Corporations Counsel

Dated: 10/11/11

DEBORAH ELAINE LOPEZ

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
3 JOYCE TSAI (SBN 241908)
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4 Department of Corporations
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5 San Diego, CA 92101
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7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

11	In the Matter of the Statement of Issues of THE)	NMLS No.: 259235
12	CALIFORNIA CORPORATIONS)	
13	COMMISSIONER,)	Sponsor File No.: 413-0969 and 603-C931
14	Complainant,)	ORDER DISMISSING STATEMENT OF
15	vs.)	ISSUES IN SUPPORT OF NON-ISSUANCE
16	DEBORAH ELAINE LOPEZ,)	OF MORTGAGE LOAN ORIGINATOR
17	Respondent.)	LICENSE
18)	

19 Good Cause Appearing, it is hereby ordered that the Statement of Issues in Support of Non-
20 Issuance of Mortgage Loan Originator License issued on December 15, 2010, against Deborah
21 Elaine Lopez, is dismissed.

22 Dated: October 12, 2011
23 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

24
25 By _____
26 Alan S. Weinger
27 Deputy Commissioner
28

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California Corporations Commissioner
2 ALAN S. WEINGER
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11	In the Matter of the Statement of Issues of THE)	NMLS No.: 259235
12	CALIFORNIA CORPORATIONS)	
13	COMMISSIONER,)	Sponsor File No.: 413-0969 and 603-C931
14	Complainant,)	STATEMENT OF ISSUES IN SUPPORT OF
15	vs.)	NON-ISSUANCE OF MORTGAGE LOAN
16	DEBORAH ELAINE LOPEZ,)	ORIGINATOR LICENSE
17	Respondent.)	
18)	

19 The Complainant is informed and believes, and based upon such information and belief,
20 alleges and charges Respondent as follows:

21 I
22 INTRODUCTION

23 On or about July 28, 2010, Complainant determined not to issue a mortgage loan originator
24 license to Deborah Elaine Lopez ("Respondent") pursuant to Financial Code sections 22109.1 and
25 50141 in that Respondent has pled guilty to a felony involving an act of fraud, dishonesty or a
26 breach of trust or money laundering.
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II

THE APPLICATION

On July 2, 2010, Respondent filed an application for a mortgage loan originator license with the California Corporations Commissioner (“Complainant” or “Commissioner”) pursuant to the California Residential Mortgage Lending Act (“CRMLA”) (Financial Code sections 50000 *et. seq.*) and California Finance Lenders Law (“CFL”) (Financial Code sections 22000 *et seq.*); in particular, Financial Code sections 50140 and 22105.1. The application was for employment or working on behalf of imortgage.com, Inc. as a mortgage loan originator, which has its principal place of business located at 4800 N Scottsdale Road, Suite 3800, Scottsdale, AZ 85251. The application was submitted to the Commissioner by filing Form MU4 through the Nationwide Mortgage Licensing System (“NMLS”).

Form MU4 at Question 8. (D)(1) specifically asked: “Have you ever been convicted of or pled nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?” Respondent answered “yes.” In providing details about the felony conviction, Respondent stated that she pled guilty on April 21, 1981 to welfare fraud. Respondent signed the Form MU4 swearing that the answers were true and complete to the best of Respondent’s knowledge.

III

CRIMINAL CONVICTION

Respondent stated in the Form MU4 that Respondent pled guilty to a felony, welfare fraud, on April 21, 1981. The documentation obtained by the Commissioner during the application process disclosed that Respondent, on or about April 21, 1981 in San Diego Superior Court, had been convicted of violating Welfare and Institutions Code section 11483 (felony welfare fraud).

Financial Code section 22109.1 provides in relevant part:

The commissioner shall not issue a mortgage loan originator license unless the commissioner makes, at a minimum, the following findings:

...

(b) The applicant has not been convicted of, or pled guilty or nolo

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contendere to, a felony ... at any time preceding the date of application, if the felony involved an act of fraud, dishonesty, a breach of trust, or money laundering.

Financial Code section 50141 provides in relevant part:

The commissioner shall not issue a mortgage loan originator license unless the commissioner makes at a minimum the following findings:

...

(b) The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony ... at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, a breach of trust, or money laundering. . . .

IV
CONCLUSION

Complainant finds, by reason of the foregoing, that Respondent has, prior to the date of the application, pled guilty to violation of Welfare and Institutions Code section 11483, which constitutes a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering.

THEREFORE, Complainant asserts that Financial Code sections 50141 and 22109.1 mandated that the Commissioner not issue a mortgage loan originator license to Respondent under the California Residential Mortgage Lending Act and Finance Lenders Law.

WHEREFORE IT IS PRAYED that the determination of the Commissioner to not issue a mortgage loan originator license to Respondent in connection with respondent's July 2, 2010 application be upheld.

Dated: December 15, 2010
San Diego, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Joyce Tsai
Corporations Counsel