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

11 In the Matter of:) NMLS FILE NO. 1639259
12 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,) ORDER DENYING MORTGAGE LOAN
13) ORIGINATOR LICENSE APPLICATION
14 Complainant,)
15 v.)
16 MICHELLE DENISE ROBINSON,)
17 Respondent.)
18)

19
20 The Commissioner of Business Oversight (Commissioner) finds that:

- 21 1. On October 18, 2017, Respondent, Michelle Denise Robinson (Robinson), filed an
22 application for a mortgage loan originator license with the Commissioner pursuant to the California
23 Financing Law¹ (CFL), in particular, Financial Code section 22105.1. The application was submitted
24 to the Commissioner by filing a Form MU4 through the Nationwide Mortgage Licensing System &
25 Registry (NMLS).

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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 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. Between October 18, 2017 and February 9, 2018, Robinson submitted seven amended MU4
2 forms through the NMLS.

3 3. The Commissioner determined pursuant to its own investigation of Robinson’s application
4 that in 1989, Robinson was convicted of felony theft and felony theft by deception by the State of
5 Illinois.

6 4. On the October 18, 2017 MU4, Robinson was asked Disclosure Question (F)(1), “Have you
7 ever been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or
8 military court to any felony?” Robinson answered, “No.”

9 5. On the October 18, 2017 MU4, Robinson was asked Disclosure Question (H)(1), which asks
10 in pertinent part “Have you ever been convicted of or pled guilty or nolo contendere (“no contest”)
11 in a domestic . . . court to committing or conspiring to commit a misdemeanor involving: . . . (iv)
12 theft or wrongful taking of property . . . ?” Robinson answered, “No.”

13 6. On or about November 15, 2017, DBO licensing staff informed Robinson that she had failed
14 to disclose the 1989 Illinois criminal conviction and required Robinson to upload court and police
15 documents applicable to the case in her possession, amend any previous incorrect answers, and
16 explain why she failed to disclose the Illinois criminal case in her previous MU4 filings.

17 7. On or about January 10, 2018, Robinson filed an amended MU4 making changes to the
18 Disclosure Questions section.

19 8. In Robinson’s January 10, 2018 MU4, Robinson uploaded documents from an Illinois court
20 clerk that indicated she had been indicted for two felony theft counts.

21 9. In Robinson’s January 10, 2018 MU4, her response to Disclosure Question (F)(1), regarding
22 felony convictions, remained “No.”

23 10. In Robinson’s January 10, 2018 MU4, Robinson changed her answer to Disclosure Question
24 (H)(1), regarding misdemeanor convictions, to “Yes.”

25 11. On or about January 25, 2018, Robinson filed an amended MU4 and uploaded additional
26 documents from an Illinois court clerk that indicated Robinson had pled guilty to two felony theft
27 charges.
28

1 12. In Robinson’s January 25, 2018 MU4, her response to Disclosure Question (F)(1), regarding
2 felonies, remained “No.”

3 13. In Robinson’s January 25, 2018 MU4, her response to Disclosure Question (H)(1), regarding
4 misdemeanor convictions, remained “Yes.”

5 14. On February 8, 2018 and February 9, 2018, Robinson filed amended MU4s to change other
6 information; her responses to Disclosure Questions (F)(1) and (H)(1) remained “No” and “Yes,”
7 respectively.

8 15. Financial Code section 22109.1, subdivision (a), provides, in pertinent part:

9 The commissioner shall deny an application for a mortgage loan
10 originator license unless the commissioner makes at a minimum the
11 following findings:

11 ...

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

16 ...

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

20 16. Financial Code section 22172, subdivision (a) provides, in pertinent part:

21 The commissioner may do one or more of the following:

22 ...

23 (2) Deny, suspend, revoke, condition, or decline to renew a mortgage
24 loan originator license if an applicant or licensee fails at any time to
25 meet the requirements of Section 22109.1 or 22109.4, or withholds
26 information or makes a material misstatement in an application for a
27 license or license renewal.

26 17. Robinson’s conviction of felony theft and felony theft by deception in the State of Illinois
27 constitutes a conviction of a felony involving an act of fraud, dishonesty, or a breach of trust, or
28 money laundering in a domestic court.

1 18. Robinson’s initial failure to disclose her 1989 Illinois criminal convictions and subsequent
2 failure to correctly characterize her criminal convictions as felonies rather than as misdemeanors, as
3 well as the convictions themselves, shows Robinson’s failure to demonstrate such financial
4 responsibility, character and general fitness as to command the confidence of the community and to
5 warrant a determination that she will operate honestly, fairly, and efficiently as a mortgage loan
6 originator.

7 19. Robinson’s initial failure to disclose her felony convictions shows she withheld information
8 or made a material misstatement in an application for a license.

9 20. The Commissioner finds, by reason of the foregoing, that (1) Robinson has been convicted
10 of, or pled guilty or nolo contendere to, a felony in a domestic court and that felony involved an act
11 of fraud, dishonesty, or a breach of trust, or money laundering; (2) Robinson has not demonstrated
12 such financial responsibility, character, and general fitness as to command the confidence of the
13 community and to warrant a determination that the mortgage loan originator will operate honestly,
14 fairly, and efficiently within the purposes of the CFL; and (3) Robinson withheld information or
15 made a material misstatement in her application for a license.

16 21. On July 2, 2018, the Commissioner issued a Notice of Intention to Deny Mortgage Loan
17 Originator License Application, Statement of Issues, and accompanying documents with respect to
18 the above findings. On or around July 3, 2018, Robinson was served with those documents at her
19 address of record. On or around July 9, 2018, Robinson requested a hearing on the Statement of
20 Issues. On or around August 7, 2018, the Commissioner issued a First Amended Statement of Issues
21 and served Robinson on that date with respect to the above findings. On or around September 5,
22 2018, Robinson withdrew her request for hearing.

23 22. Based on the foregoing findings, pursuant to Financial Code section 22109.1, the
24 Commissioner is therefore required to deny Robinson’s application for a mortgage loan originator
25 license. The Commissioner is also authorized, pursuant to Financial Code section 22172, to deny
26 Robinson’s application for a mortgage loan originator license.

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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the application for a mortgage loan originator license of Michelle Denise Robinson is denied. This order is effective as of the date thereof.

Dated: September 25, 2018
Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division