

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Deputy Commissioner
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Corporations Counsel
4 Department of Corporations
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6 Telephone (213) 576-1396 Fax (213) 576-7181

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)	OAH No. L-2010120996
12	CALIFORNIA CORPORATIONS)	
13	COMMISSIONER,)	NMLS No.: 299623
14	Complainant,)	Sponsor File No.: 413-0937
15	vs.)	STIPULATION TO WITHDRAWAL OF
16	JUAN SALAS,)	APPLICATION
17	Respondent.)	Hearing Date: 06/28/2011
18)	Assigned To: ALJ Norman G. Taylor
19)	

20
21 This Stipulation is entered into between Respondent Juan Salas (“Salas”) and the California
22 Corporations Commissioner (“Commissioner”), and is made with respect to the following facts:

23 **RECITALS**

24 A. On May 3, 2010, Salas filed an application for a mortgage loan originator license with
25 the Commissioner pursuant to the California Residential Mortgage Lending Act (“CRMLA”)
26 (Financial Code, §§ 50000 et. seq.), in particular, Financial Code section 50140. The application
27 was for employment on behalf of High Tech Lending as a mortgage loan originator, which has
28 its principal place of business located at 2030 Main Street, Suite 350, Irvine, California 92614.

1 Salas submitted his application to the Commissioner by filing Form MU4 through the Nationwide
2 Mortgage Licensing System (“NMLS”).

3 B. On August 17, 2010, the Commissioner determined not to issue a mortgage loan
4 originator license to Salas pursuant to Financial Code section 50141.

5 C. On December 10, 2010, Salas requested an administrative hearing concerning the
6 Commissioner’s determination not to issue him a mortgage loan originator license. On December
7 27, 2010, the Commissioner issued his Statement of Issues in Support of Non-Issuance of Mortgage
8 Loan Originator License. A one-day hearing is currently scheduled for June 28, 2011.

9 D. On June 23, 2011, Salas through NMLS, filed to withdraw his mortgage loan
10 originator license application.

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

13 **TERMS AND CONDITIONS**

14 1. This Stipulation is entered into for the purpose of judicial economy and expediency,
15 and to avoid the expense of a hearing, and possible further court proceedings.

16 2. The Commissioner hereby consents to the pending withdrawal of the mortgage loan
17 originator license application filed by Salas on June 23, 2011 (“application withdrawal”).

18 3. In consideration of the Commissioner’s consent to the application withdrawal, Salas
19 agrees that he will not apply for a further mortgage loan originator license in the State of California
20 for a period of one (1) year from the date of execution of this Stipulation by the parties.

21 4. Salas further agrees that in the event he applies for a further mortgage loan originator
22 license in the State of California prior to the expiration of the one year period set forth herein, such
23 application shall be deemed automatically denied. In connection with any such automatic denial,
24 Salas hereby waives his right to any reconsideration, appeal or other right to review which may be
25 afforded pursuant to the CRMLA, the Administrative Procedure Act (Govt. Code, §§ 11340 et seq.),
26 the Code of Civil Procedure (Code of Civ. Proc., §§ 1 et seq.), or any other provision of law in
27 connection therewith.

28 5. The Commissioner agrees to dismiss, without prejudice, the Statement of Issues in

1 Support of Non-Issuance of Mortgage Loan Originator License issued by the Commissioner against
2 Salas on December 27, 2010. The Commissioner shall issue and file the dismissal with the Office of
3 Administrative Hearings on or before the commencement of the scheduled hearing on June 28, 2011,
4 so long as the Commissioner receives all the necessary signatures prior to that date. A true and
5 correct copy of the Dismissal Order is attached and incorporated herein as Exhibit A.

6 6. Salas acknowledges the hearing scheduled in this matter shall go forward as
7 scheduled in the event the Commissioner does not timely receive an executed copy of this
8 Stipulation from Salas no later than 12:00 noon, June 24, 2011.

9 7. Each of the parties represents, warrants, and agrees that he has received independent
10 advice from his attorney(s) and/or representatives with respect to the advisability of executing this
11 Stipulation.

12 8. Each of the parties represents, warrants, and agrees that in executing this Stipulation
13 he has relied solely on the statements set forth herein and the advice of his own attorney(s) and/or
14 representatives. Each of the parties further represents, warrants, and agrees that in executing this
15 Stipulation he has placed no reliance on any statement, representation, or promise of any other party,
16 or any other person or entity not expressly set forth herein, or upon the failure of any party or any
17 other person or entity to make any statement, representation or disclosure of anything whatsoever.
18 The parties have included this clause: (1) to preclude any claim that any party was in any way
19 fraudulently induced to execute this Stipulation; and (2) to preclude the introduction of parol
20 evidence to vary, interpret, supplement, or contradict the terms of this Stipulation.

21 9. This Stipulation is the final written expression and the complete and exclusive
22 statement of all the agreements, conditions, promises, representations, and covenants between the
23 parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous
24 agreements, negotiations, representations, understandings, and discussions between and among the
25 parties, their respective representatives, and any other person or entity, with respect to the subject
26 matter covered hereby.

27 10. In that the parties have had the opportunity to draft, review and edit the language of
28 this Stipulation, no presumption for or against any party arising out of drafting all or any part of this

1 Stipulation will be applied in any action relating to, connected, to, or involving this Stipulation.
2 Accordingly, the parties waive the benefit of Civil Code section 1654 and any successor or amended
3 statute, providing that in cases of uncertainty, language of a contract should be interpreted most
4 strongly against the party who caused the uncertainty to exist.

5 11. This Stipulation shall not become effective until signed and delivered by all parties.

6 12. This Stipulation may be executed in one or more counterparts, each of which shall be
7 an original but all of which, together, shall be deemed to constitute a single document. This
8 Stipulation may be executed by facsimile signature, and any such facsimile signature by any party
9 hereto shall be deemed to be an original signature and shall be binding on such party to the same
10 extent as if such facsimile signature were an original signature.

11 13. Each signator hereto covenants that he possesses all necessary capacity and authority
12 to sign and enter into this Stipulation.

13 Dated: 6/24/11

PRESTON DuFAUCHARD
California Corporations Commissioner

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15
16 By _____
ALAN S. WEINGER
17 Deputy Commissioner

18 Dated: 6/23/11

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20 By _____
JUAN SALAS, as an individual

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2 ALAN S. WEINGER
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8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

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11 In the Matter of the Statement of Issues of THE) OAH No. L-2010120996
12 CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) NMLS No.: 299623
14 Complainant,) Sponsor File No.: 413-0937
15 vs.) **ORDER DISMISSING STATEMENT OF**
16 JUAN SALAS,) **ISSUES IN SUPPORT OF NON-ISSUANCE**
17 Respondent.) **OF MORTGAGE LOAN ORIGINATOR**
18) **LICENSE**
19) Hearing Date: 06/28/2011
20) Assigned To: ALJ Norman G. Taylor
21)

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Pursuant to the Stipulation entered into between the California Corporations Commissioner and Juan Salas on June 23, 2011, the Statement of Issues in Support of Non-Issuance of Mortgage Loan Originator License issued by the Commissioner on December 27, 2010, is hereby dismissed without prejudice.

Dated: June 23, 2011
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner

1 PRESTON DuFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
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11 In the Matter of the Statement of Issues of THE) NMLS No.: 299623
12 CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) Sponsor File No.: 413-0937
14 Complainant,) **STATEMENT OF ISSUES IN SUPPORT OF**
15 vs.) **NON-ISSUANCE OF MORTGAGE LOAN**
16 JUAN SALAS,) **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 August 17, 2010, Complainant determined not to issue a mortgage loan
24 originator license to Juan Salas ("Respondent" and/or "Salas") pursuant to Financial Code section
25 50141 in that Salas pled guilty to a felony involving an act of fraud, dishonesty, a breach of trust or
26 money laundering.

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II.**THE APPLICATION**

On May 3, 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, §§ 50000 et. seq.), in particular, Financial Code section 50140. The application was for employment on behalf of High Tech Lending as a mortgage loan originator, which has its principal place of business located at 2030 Main Street, Suite 350, Irvine, California 92614. Salas submitted his application 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 guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?” Respondent answered “yes.” In providing details about his felony conviction, Respondent stated “In May of 1989 . . . me [sic] and 1 other guy used a toy gun to steal a car. This resulted in a conviction of Ca penal code 245(a)(1) on 3/5/1990 . . . I then served 3 years probation and paid about \$3700 in restitution.” The Respondent provided a copy of his criminal case file captioned *The People of the State of California v. Juan Antonio Salas*, case number C-74333, before the Superior Court of the State of California, County of Orange. On March 5, 1990, Salas pled guilty to one count robbery in the second degree, pursuant to Penal Code section 211, and one count assault with a deadly weapon other than a firearm or by force likely to produce great bodily injury, pursuant to Penal Code section 245, subdivision (a)(1). Respondent signed the Form MU4 swearing that the answers were true and complete to the best of Respondent’s knowledge.

III.**CRIMINAL CONVICTION**

As set forth above in section II., Respondent stated in his Form MU4 that he pled guilty to a felony on March 5, 1990. The documentation received by the Commissioner during the application process disclosed that Respondent, on or about March 5, 1990 in the Superior Court of California, County of Orange, pled guilty to violating Penal Code sections 211, robbery in the second degree,

1 and 245, subdivision (a)(1), assault with a deadly weapon other than a firearm or by force likely to
2 produce great bodily injury; both crimes are classified as felonies under the Penal Code.

3 Financial Code section 50141 provides in relevant part:

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

6 . . .

7 (b) The applicant has not been convicted of, or pled guilty or nolo
8 contendere to, a felony in a domestic, foreign, or military court
9 during the seven-year period preceding the date of the application
10 for licensing and registration, or at any time preceding the date of
11 application, if such felony involved an act of fraud, dishonesty, a
12 breach of trust, or money laundering. . . .

13 **IV.**

14 **CONCLUSION**

15 Complainant finds, by reason of the foregoing, that Respondent pled guilty to Penal Code
16 section 211, robbery in the second degree, which constitutes a felony involving an act of dishonesty.

17 THEREFORE, Complainant asserts that Financial Code section 50141 mandates that
18 Complainant not issue a mortgage loan originator license to Respondent under the CRMLA.

19 WHEREFORE IT IS PRAYED that the determination of Complainant to not issue a
20 mortgage loan originator license to Respondent in connection with Respondent’s May 3, 2010
21 application be upheld.

22 Dated: December 27, 2010
23 Los Angeles, CA

24 PRESTON DuFAUCHARD
25 California Corporations Commissioner

26 By _____
27 BLAINE A. NOBLETT
28 Corporations Counsel
Enforcement Division