

1 MARY ANN SMITH
Deputy Commissioner
2 MIRANDA LEKANDER
Assistant Chief Counsel
3 TIMOTHY L. Le BAS (State Bar No. 135565)
Senior Counsel
4 Department of Business Oversight
5 1515 K Street, Suite 200
6 Sacramento, California 95814
7 Telephone: (916) 322-2050
Facsimile: (916) 445-6985
8 Attorneys for Complainant

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

12 In the Matter of:) NMLS NO. 220944
)
13 THE COMMISSIONER OF BUSINESS) FIRST AMENDED ACCUSATION IN
OVERSIGHT,) SUPPORT OF NOTICE OF INTENTION TO
14) ISSUE ORDER REVOKING MORTGAGE
Complainant,) LOAN ORIGINATOR LICENSE OF JAMES
15) ALEXANDER SEIBERT
16 v.)
)
17 JAMES ALEXANDER SEIBERT,)
)
18 Respondent.)
19)
20)

21 The Commissioner of Business Oversight (Commissioner) alleges and charges as follows:

22 **I.**
23 **INTRODUCTION**

24 1. On May 25, 2016, James Alexander Seibert (Seibert) filed an amendment to his
25 application (“Form MU4 application” or “application”) with the Commissioner pursuant to the
26 California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et seq.), in particular,
27 Financial Code sections 50140 and 50146, and California Code of Regulations, title 10, section
28 1950.122.5. The application provides notification that Seibert changed employers from Finance of

1
2 America Mortgage, LLC (NMLS No. 1411902) to Stearns Lending, LLC (NMLS No. 771975).

3 2. Seibert submitted his application to the Commissioner by filing it through the National
4 Mortgage License System & Registry (NMLS). The Form MU4 application at Question Q, under the
5 heading of “Termination Disclosure,” asks the following:

6 (Q) Have you ever voluntarily resigned, been discharged, or permitted to resign after
7 allegations were made that accused you of:

8 (1) violating statute(s), regulation(s), rule(s) or industry standards of conduct?

9 (2) fraud, dishonesty, theft, or the wrongful taking of property?

10 3. Seibert answered “No” to both of the above questions on or about May 25, 2016.

11 **II.**

12 **GROUND S EXIST FOR REVOKING SEIBERT’S LICENSE**

13 4. Financial Code section 50513 authorizes the Commissioner to revoke a mortgage loan
14 originator license if the licensee fails at any time to meet the requirement of Financial Code section
15 50141. Financial Code section 50141 requires the Commissioner to deny an application for a
16 mortgage loan originator license if the Commissioner cannot find that the applicant “has demonstrated
17 such financial responsibility, character, and general fitness or to command the confidence of the
18 community and to warrant a determination that the mortgage loan originator will operate honestly,
19 fairly, and efficiently within the purpose of this division.”

20 5. In addition, Financial Code section 50513 allows the Commissioner to revoke a
21 mortgage loan originator license if an applicant “withholds information or makes a material
22 misrepresentation in an application for license or license renewal.”

23 **A. Seibert Fails to Meet the Responsibility, Character, and General Fitness Requirements of**
24 **Financial Code Section 50141**

25 6. Seibert was employed as a mortgage loan originator by Finance of America Mortgage,
26 doing business as Alpine Mortgage Planning (“AMP”), with an address of 3010 Lava Ridge Court,
27 Roseville, California 95661.

28 7. On or about April 27 or 28, 2016, as a mortgage loan originator, Seibert falsified or

1 forged loan documents at the AMP office in Roseville, California. Seibert forged the signature of a
2 borrower (“MM”) on a letter of explanation dated April 27, 2016. Seibert also falsified a lease
3 agreement dated April 28, 2016, by removing the name of a tenant (“AM”).

4 8. On or about May 2, 2016, when confronted by his employer, Seibert denied doing the
5 above acts of forgery and falsification of documents involving the letter of explanation and lease
6 agreement.

7 9. However, on or about May 13, 2016, when meeting with his employer, Seibert
8 admitted to doing the above acts of forgery and falsification of documents involving the letter of
9 explanation and lease agreement. In addition, Seibert admitted to withholding debt owed by a
10 borrower (“JS”) during the loan application and underwriting processes thereby falsifying this
11 information. Seibert also admitted to promising a loan credit of \$1,000.00 to borrowers (“JR” and
12 “TR”) which never materialized. The credit was falsely promised to these borrowers to induce them
13 into agreeing to a higher interest rate on the loan. As a result, Seibert’s employment was terminated on
14 the grounds of acts constituting dishonesty, fraud, and violations of law.

15 10. On or about May 26, 2016, AMP discovered that on or about May 5, 2014, Seibert
16 loaned a borrower (“TT”) \$120,000.00 to use as a disguised gift when applying and qualifying for a
17 loan. AMP also discovered that on or about June 27, 2014, Seibert loaned two borrowers (“MH” and
18 “SH”) \$132,000.00 to use as a disguised gift when applying and qualifying for a loan.

19 11. Given his repeated acts of forged and falsified loan documents, his loan assistance to
20 borrowers to falsify loan documents, and his false promise of a loan credit, the Commissioner does not
21 find, for purposes of Financial Code section 50141, that Seibert has demonstrated such financial
22 responsibility, character, and general fitness as to command the confidence of the community and to
23 warrant that Seibert will operate honestly, fairly, and efficiently, within the purposes of the CRMLA.
24 Thus, grounds exist to revoke Seibert’s mortgage loan originator license under Financial Code section
25 50513.

26 **B. Seibert Withheld Information or Made a Material Misstatement in an Application for a**
27 **License**

28 12. On or about May 25, 2016, Seibert answered “No” to the following questions on his

1 application:

2 (Q) Have you ever voluntarily resigned, been discharged, or permitted to resign after
3 allegations were made that accused you of:

4 (1) violating statute(s), regulation(s), rule(s) or industry standards of conduct?

5 (2) fraud, dishonesty, theft, or the wrongful taking of property?

6 13. On or about May 13, 2016, Seibert’s employment with AMP was terminated based on
7 accusations involving dishonest, fraudulent, and unlawful acts. Financial Code section 50204
8 expressly prohibits the acts committed by Seibert. Although he was discharged for these reasons,
9 Seibert failed to answer “Yes” to these two questions. Therefore, he again withheld information or
10 made a material misstatement in an application, in violation of Financial Code section 50513.
11 Accordingly, additional grounds exist to revoke the mortgage loan originator license of Seibert.

12 **III.**
13 **CONCLUSION**

14 14. Complainant finds, by reason of the foregoing, including his acts of forgery and
15 falsification of loan documents, as well as enticing others to do so, that Seibert has failed to command
16 the confidence of the community and to warrant a determination that he will operate honestly, fairly,
17 and efficiently within the purpose of the California Residential Mortgage Lending Act. Pursuant to
18 Financial Code section 50513, denial of Seibert’s mortgage loan originator license would have been
19 required under section 50141. Moreover, Seibert withheld information or made a material
20 misstatement in an application, when he failed to disclose that his employment termination was based
21 on dishonesty, fraud, and unlawful acts.

22 ///

23 ///

24 ///

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

WHEREFORE, the Commissioner gives notice of her intention to issue an order under Financial Code section 50513 to revoke the mortgage loan originator license of James Alexander Seibert.

Dated: July 18, 2017
Sacramento, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
TIMOTHY L. Le BAS
Senior Counsel
Enforcement Division