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California Corporations Commissioner
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8
9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
11

12 In the Matter of the Statement of Issues of) File No.
13)
14 THE CALIFORNIA CORPORATIONS)
COMMISSIONER,) STATEMENT OF ISSUES
15)
16 Complainant,)
17 v.)
18 BYUNG HYUN YE,)
19 Respondent.)
20)
21)

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

24 I
25 INTRODUCTION

26 The proposed order seeks to deny the issuance of a mortgage loan originator license to
27 Byung Hyun Ye, (“Respondent”) pursuant to Financial Code sections 22109.1 (a)(2)(B) and 22109.1
28 (3) in that Respondent has been convicted of a felony involving an act of fraud, dishonesty, or

1 breach of trust or money laundering; and that Respondent has failed to demonstrate such financial
2 responsibility, character, and general fitness as to command the confidence of the community and to
3 warrant a determination that Respondent will operate honestly, fairly and efficiently within the
4 purposes of the law.

5 II

6 THE APPLICATION

7 1. On March 31, 2010, Respondent filed an application for a mortgage loan originator
8 license with the California Corporations Commissioner (“Commissioner”) pursuant to the California
9 Finance Lenders Law (“CFL”) sections 22000 et seq., in particular, Financial Code section
10 22105.1. The application was for employment or working on behalf of Cash Call Inc. as a loan
11 agent, located at 1600 S. Douglas Road, Anaheim, CA 92806. The application was submitted to the
12 Commissioner by filing Form MU4 through the Nationwide Mortgage Licensing System (“NMLS”).

13 2. Form MU4 at Question 9(D)(1) specifically asked: “Have you been convicted of or
14 pled nolo contendere (“no contest”) in a domestic, foreign, or military court to any *felony*?
15 Respondent answered “No”. Documents received by the Department during the application process
16 disclosed that Respondent had been convicted of:

- 17 a) Violation of Calif. Penal Code section 459, burglary first degree, a felony, on
18 September 25, 1992;
- 19 b) Violation of Calif. Penal Code section 664- 187(a), attempted murder, a
20 felony, on December 16, 1996; and
- 21 c) Pled nolo contendere to 2 misdemeanor counts of petty theft in Pinellas
22 County, Florida on May 9, 1996.

23 Respondent signed the Form MU4 swearing that the answers were true and complete to the
24 best of Respondent’s knowledge. A false statement of any material fact in an application to the
25 Commissioner under the CFL is grounds for a denial of the application pursuant to California
26 Financial Code section 22109.1(3).

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III

CRIMINAL CONVICTIONS

3. The documentation obtained by the Commissioner during the application process disclosed that Respondent, on or about August 17, 1992 in Municipal Court of Orange County, California had been convicted of violating California Penal Code sections 459/461.1, that is, first degree burglary, a felony. The documentation also showed that on December 16, 1996 in the Superior Court of California, County of Orange, the Respondent was convicted of a violation of Penal Code 664-187(a); that is attempted murder, a felony. Further documentation showed that Respondent pled nolo contendere to 2 misdemeanor counts of petty theft in the Circuit Court, Sixth Judicial Circuit of Pinellas County, Florida on May 9, 1996.

Financial Code section 22109.1 provides in relevant part:

- (a) The commissioner shall deny an application for a mortgage loan originator license unless the commissioner makes at a minimum, the following findings:
 - (2) The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign or military court, as follows:
 - (A) During the seven-year period preceding the date of the application for licensing and registration.
 - (B) At any time preceding the date of application if the felony involved an act of fraud, dishonesty, or a breach of trust, or money-laundering.
 - (3) The applicant has demonstrated such financial responsibility, character, and general fitness as to command the confidence of the community and warrant a determination that the mortgage loan originator will operate honestly, fairly and efficiently within the purposes of this division.

IV

CONCLUSION

4. The Commissioner finds, by reason of the foregoing that Respondent has been convicted of a violation of California Penal Code section 459; burglary in the first degree, which constitutes a felony involving an act of fraud, dishonesty, breach of trust or money-laundering. The Commissioner further finds that by reason of having been convicted of a violation of California Penal Code section 664-187(a), attempted murder, a felony; and by reason of the Respondent having made a false statement of a material fact in his application for a license, that the Commissioner

