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7	Attorneys for Complainant	
8	BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT	
9	OF THE STATE OF CALIFORNIA	
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11	In the Matter of:) NMLS NO.: 1165370
12	THE COMMISSIONER OF BUSINESS)
13	OVERSIGHT,	ORDER DENYING APPLICATION FOR
14	Complainant,) MORTGAGE LOAN ORIGINATOR LICENSE
15	v.) PURSUANT TO FINANCIAL CODE) SECTION 22109.1
16	REGINA KH LEE,	
17	REGINA KIT LEE,)
18	Respondent.)
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22	The Commissioner of Business Oversight (Commissioner) finds against Respondent Regina	
23	Kh Lee (Lee) as follows:	
24	I.	
25	<u>Introduction</u>	
26	1. The Commissioner, as the head of the Department of Business Oversight	
27	(Department) is authorized to administer and enforce the provisions of the California Financing	
28	Law (Fin. Code, § 22000 et seq.) (CFL) and the rules and regulations promulgated thereunder.	
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- 2. On or around February 15, 2019, Lee applied for a mortgage loan originator (MLO) license with the Department. Lee represented, under penalty of perjury, that she had not previously been discharged from employment. This statement was not true. Upon investigation, the Department's examiner discovered that in July of 2014 Wells Fargo Bank, N.A. (Wells Fargo) terminated Lee for dishonest behavior, in violation of Wells Fargo's policies and the industry standard of conduct.
- 3. Under the provisions of Financial Code section 22109.1, the Commissioner brings this action to deny Lee's MLO license application.

II. **Statement of Facts**

A. Lee's Mortgage Loan Originator Application

- 4. On or about February 15, 2019, Lee submitted an individual MU4 License Form (MU4) to the Department through the Nationwide Multistate Licensing System (NMLS), seeking licensure as an MLO.
- 5. Lee answered "No" to the following question on the application, under penalty of perjury:
 - a. Question Q1 "Have you ever voluntarily resigned, been discharged, or permitted to resign after allegations were made that accused you of: violating statute(s), regulation(s), rule(s), or industry standards of conduct?"
- 6. The Attestation clause in the application states, "[i]f the Applicant has knowingly made a false statement of a material fact in this application or in any documentation provided to support the foregoing application, then the foregoing application may be denied."

B. Lee's July 2014 Termination from Wells Fargo

- 7. On or around March 21, 2019, the Department's examiner reviewed information regarding Lee on NMLS, which revealed that Lee was discharged from Wells Fargo in July of 2014. The Department created a licensing item, instructing Lee to explain the prior termination.
- 8. On March 21, 2019, Lee changed her response to Question Q1 from "No" to "Yes," and uploaded an explanation letter. In the letter, Lee admits that she was terminated from Wells

Fargo in July of 2014 for: (1) opening consumer checking and savings accounts for family members who were not physically present—and who never used the account—in order to receive sales credit; and (2) using her mother's debit card at an ATM machine while her mother was not present. Lee was terminated for dishonest behavior in violation of Wells Fargo's policies and standard of conduct.

9. When Lee submitted her application for an MLO license with the Department, she was therefore required to answer "Yes" to Question Q1. However, she misrepresented, under penalty of perjury, that the answer was "No."

III.

Law

- 10. Financial Code section 22109.1 provides in pertinent part:
 - (a) The commissioner shall deny an application for a mortgage loan originator license unless the commissioner makes, at a minimum, the following findings:

* * * *

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

IV.

Conclusion

The Commissioner finds that Lee does not meet at least one of the minimum requirements for the issuance of a mortgage loan originator license as provided by Financial Code section 22109.1. Lee misrepresented, under penalty of perjury, that she had never been discharged from employment, when in reality, she was terminated from Wells Fargo in July of 2014 for opening accounts of persons who were not physically present in order to obtain sales credits and used someone else's ATM card while they were not present, in violation of Wells Fargo's policies and industry standards of conduct.

Lee has not demonstrated the financial responsibility, character, and general fitness necessary to command the confidence of the community and to warrant a determination that she will operate honestly, fairly, and efficiently as a mortgage loan originator under the CFL and subdivision (a)(3) of section 22109.1 of the Financial Code.

Therefore, Financial Code section 22109.1 mandates that the Commissioner deny Regina Kh Lee's request for a mortgage loan originator license.

WHEREFORE on May 22, 2019, the Commissioner issued a Notice of Intention to Deny Application for Mortgage Loan Originator License, Statement of Issues, and accompanying documents (Notice of Intention to Deny) based on the above findings. The Notice of Intention to Deny was served on Lee on May 29, 2019. Lee did not request a hearing and the time to request a hearing has expired.

NOW GOOD CAUSE APPEARING THEREFOR, it is hereby ordered that the Application filed by Regina Kh Lee for a mortgage loan originator license is denied.

Dated: June 24, 2019

Los Angeles, CA

MANUEL P. ALVAREZ
Commissioner of Business Oversight

MARY ANN SMITH
Deputy Commissioner