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

12 In the Matter of: ) NMLS No. 1334854  
13 )  
14 THE COMMISSIONER OF BUSINESS ) STATEMENT OF ISSUES  
OVERSIGHT, )  
15 )  
16 Complainant, )  
v. )  
17 CHARLES JEFFREY HALIBURTON, )  
18 Respondent. )  
19 )  
20 )  
21 )

22 Manuel P. Alvarez, the Commissioner of Business Oversight (Commissioner), is informed  
23 and believes, and based on such information and belief, alleges and charges Respondent Charles  
24 Jeffrey Haliburton (Haliburton) as follows:

25 I.

26 Introduction

27 1. Haliburton, a convicted felon, first applied to the Commissioner to obtain a mortgage  
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1 loan originator license on February 16, 2016. Haliburton failed to disclose his felony bank robbery  
2 conviction in his February 16 application.

3 2. The Commissioner denied Haliburton’s application for a mortgage loan originator  
4 license based on Haliburton’s failure to disclose his felony conviction.

5 3. Haliburton appealed the Commissioner’s decision before the Office of Administrative  
6 Hearings, and the court upheld the denial of Haliburton’s license. The judge found Haliburton had  
7 failed to display candor in his testimony before the court and in his explanation to the Commissioner  
8 regarding the facts and circumstances surrounding his conviction and his failure to disclose the  
9 conviction in his application. Haliburton’s minimization of his misconduct suggested to the court that  
10 Haliburton had not yet fully accepted personal responsibility for his actions.

11 4. The Commissioner adopted the court’s proposed decision on February 13, 2018,  
12 effective March 15.

13 5. On July 5, 2019, Haliburton again applied to the Commissioner for a mortgage loan  
14 originator license. Haliburton disclosed his felony conviction in the July 5 license application but  
15 offered no new facts in mitigation to demonstrate to the Commissioner why he now deserves the  
16 license he seeks, which the Commissioner previously denied him.

17 6. Haliburton’s July 5 application failed to show that his felony conviction had been  
18 expunged or pardoned.

19 7. The Commissioner intends to deny Haliburton’s mortgage loan originator application  
20 for the reasons that follow.

21 **II.**

22 **Jurisdiction**

23 8. The Commissioner has jurisdiction over the licensing and regulation of finance lenders  
24 and brokers and mortgage loan originators under the California Financing Law (CFL) (Fin. Code, §  
25 22000 et seq.). The Commissioner is authorized to administer the CFL and the rules and regulations  
26 promulgated in title 10 of the California Code of Regulations (CCR).

27 9. Under the provisions of Financial Code section 22109.1, the Commissioner brings this

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1 action to deny the mortgage loan originator license application submitted by Haliburton on July 5,  
2 2019.

### 3 III.

#### 4 Statement of Facts

5 10. On February 16, 2016, Haliburton submitted an individual MU4 License Form (MU4)  
6 to the Department of Business Oversight (Department), through the Nationwide Multistate Licensing  
7 System and Registry (the NMLS), seeking licensure as a mortgage loan originator.

8 11. A subsequent review of Haliburton's criminal background disclosed in 1984  
9 Haliburton pleaded guilty to bank robbery, a felony. But Haliburton did not inform the Department of  
10 his criminal conviction.

11 12. The Department's examiner sent Haliburton a notification, through the NMLS,  
12 requesting he amend his mortgage loan originator application to include an explanation of the  
13 circumstances surrounding his criminal conviction, and to provide copies of any relevant documents.

14 13. On June 7, 2016, Haliburton submitted through the NMLS an amended MU4. The  
15 amended application included a changed answer to disclosure item (F)(1), which went from "No" to  
16 "Yes" in response to the prompt that asked if the applicant had "ever been convicted of or pled guilty  
17 . . . to any felony?" In his amended MU4, Haliburton admitted his 1984 felony conviction and  
18 provided the Commissioner with copies of court documents relating to the conviction.

19 14. The court records Haliburton provided disclosed that on or about September 27, 1984,  
20 Haliburton pleaded guilty to knowingly, willfully, and unlawfully taking money belonging to a  
21 federally insured institution by way of intimidation in violation of title 18 of United States Code  
22 sections 2113(a) and (d), a felony, for which the court sentenced Haliburton to three years in federal  
23 prison.

24 15. Haliburton did not provide the Commissioner with any documentation demonstrating  
25 that his felony conviction had been expunged or pardoned.

26 16. On June 6, 2017, the Commissioner issued Haliburton a notice of intention and  
27 statement of issues, seeking to deny Haliburton's mortgage loan originator application based on  
28 Haliburton's failure to disclose his felony conviction.



1 shall be determined by the law of the jurisdiction in which an  
2 individual is convicted.

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

9 **V.**

10 **Prayer**

11 The Commissioner finds that Haliburton does not meet the minimum requirements to hold a  
12 mortgage loan originator license. Haliburton pleaded guilty to bank robbery, a felony. Bank robbery  
13 is a crime of dishonesty.

14 Having pleaded guilty to a crime of dishonesty, Haliburton does not meet the minimum  
15 criteria to hold a mortgage loan originator license under Financial Code section 22109.1, subdivision  
16 (a)(2)(A).

17 In addition, Haliburton previously failed to disclose his felony conviction in his initial MU4  
18 filed with the Department, and therefore has not demonstrated to the Commissioner his financial  
19 responsibility, character, and general fitness necessary to command the confidence of the community  
20 and to warrant a determination that he will operate honestly, fairly, and efficiently as a mortgage loan  
21 originator under the CFL and subdivision (a)(3) of section 22109.1 of the Financial Code.

22 By reason of the foregoing, Haliburton’s felony bank robbery conviction, a crime of  
23 dishonesty, and Haliburton’s failure to disclose the felony criminal conviction in his initial MU4  
24 application filed with the Department, the Commissioner shall deny Haliburton’s application for a  
25 mortgage loan originator license.

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WHEREFORE IT IS PRAYED that the mortgage loan originator license application filed by Charles Jeffrey Haliburton be denied.

Dated: November 18, 2019  
Los Angeles, California

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

By: \_\_\_\_\_  
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Senior Counsel  
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