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2 DANIEL P. O’DONNELL
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7 Attorneys for Complainant

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

11
12 In the Matter of:) OAH CASE NO.: TBA
) NMLS ID No.: 1429367
13 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,)
14) SETTLEMENT AGREEMENT
15 Complainant,)
)
16 v.) Hearing Dates: TBA
) Hearing Time:
17 RICHARD ANTHONY STEVENS,) Location:
) Judge:
18 Respondent.)
19)
20)
21)

22 This Settlement Agreement (Agreement) is entered into between the Commissioner of
23 Business Oversight, Manuel P. Alvarez, (Commissioner) and Richard Anthony Stevens (Stevens)
24 and is made with respect to the following facts:

25 **I.**
26 **Recitals**

27 A. The Commissioner has jurisdiction over the licensing and regulation of

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1 persons and entities engaged in the business of lending under the California Residential Mortgage
2 Lending Act, including Mortgage Loan Originators (MLO) (CRMLA) (Fin. Code, § 50000 et seq.).

3 B. A MLO is “an individual who, for compensation for gain, or in the expectation of
4 compensation or gain, takes a residential mortgage loan application or offers or negotiates terms of a
5 residential mortgage loan.” (Fin. Code, § 50003.5.)

6 C. On June 12, 2019, Stevens filed an application for a MLO license with the
7 Commissioner pursuant to the CRMLA. (Application). The Application was submitted to the
8 Commissioner by filing a Form MU4 through the Nationwide Mortgage Licensing System and
9 Registry (NMLS).

10 D. In reviewing the Application, the Commissioner could not make, at a minimum, the
11 finding that Stevens had demonstrated such financial responsibility, character, and general fitness as
12 to command the confidence of the community and warrant a determination that he will operate
13 honestly, fairly, and efficiently as a MLO under the meaning of Financial Code section 50141.

14 E. On October 18, 2019, the Commissioner issued to Stevens a Statement of Issues,
15 Notice of Intention to Deny License Application (Notice) and accompanying documents
16 (collectively, Administrative Action). The Administrative Action was received by Stevens’ on
17 October 28, 2019.

18 F. Stevens submitted a timely written hearing request and statutory time waiver to the
19 Commissioner on October 29, 2019.

20 G. The Commissioner finds that this Agreement is appropriate, in the public interest,
21 and consistent with the purposes fairly intended by the policy and provisions of this law.

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

24 **II.**
25 **Terms and Conditions**

26 1. Purpose. The Settlement Agreement resolves the issues before the Commissioner
27 described in the Recitals above, in a manner that avoids the expense of a hearing and other possible
28 court proceedings, protects consumers, is in the public interest, and is consistent with the purposes,
policies, and provisions of the CRMLA.

1 2. Waiver of Hearing Rights. Stevens agrees to withdraw his request for an
 2 administrative hearing made on October 29, 2019. Stevens understands and acknowledges his right
 3 to an administrative hearing under the CRMLA in connection with the Application. Stevens hereby
 4 waives his right to a hearing, and to any reconsideration, appeal, or other rights which may be
 5 afforded pursuant to the CRMLA, the Administrative Procedure Act, the Code of Civil Procedure,
 6 or any other provision of law in connection with these matters. Stevens consents to the Agreement
 7 becoming final.

8 3. Licensure. The Commissioner hereby grants Stevens’ Application and agrees to
 9 issue an MLO license to Stevens pursuant to Financial Code section 50513 (MLO License). In
 10 consideration for the issuance of the MLO License, Stevens hereby understands and agrees that
 11 retention of the MLO License is predicated upon Stevens’ compliance with the following
 12 requirements (Requirements):

13 a. Education. Stevens shall annually complete at least eight hours of continuing
 14 education offered by an NMLS-approved vendor for a period of three years, commencing on the
 15 Effective Date of this Agreement as defined in Paragraph 15.

16 b. Administrative Fee. Stevens shall pay to the Commissioner the amount of
 17 \$2,500 (Administrative Fee) pursuant to the following payment schedule:

Payment Number	Date Payment Must Be Received by The Department	Amount Due
1	December 27, 2019 Friday	\$500
2	January 3, 2020 Friday	\$167
3	February 5, 2020 Wednesday	\$167
4	March 4, 2020 Wednesday	\$167
5	April 3, 2020 Friday	\$167
6	May 1, 2020 Friday	\$167
7	June 5, 2020 Friday	\$167

8	July 3, 2020 Friday	\$167
9	August 4, 2020 Tuesday	\$167
10	September 2, 2020 Wednesday	\$167
11	October 2, 2020 Friday	\$167
12	November 4, 2020 Wednesday	\$167
13	December 4, 2020 Friday	\$163

Stevens shall remit the Administrative Fee to the Commissioner via cashier's check or Automated Clearing House deposit to the Department of Business Oversight, Accounting, 1515 K Street, Suite 200, Sacramento, California 95814. Failure to timely pay the Administrative Fee constitutes a breach of this Agreement.

c. Notice. Stevens shall provide notice of compliance with the Requirements within five days of completion. Notice shall be sent to the Department of Business Oversight, Attn. Marisa I. Urteaga-Watkins, Counsel, 1515 K Street, Suite 200, Sacramento California 95814.

4. Breach. For three years from the Effective Date of this Agreement, as such date is defined in Paragraph 15, any one of the following shall be grounds for automatic revocation of the MLO License: (1) Stevens's failure to fulfill each and every Requirement in the manner set forth in the Agreement; (2) a finding by the Commissioner that Stevens has violated or is violating any provision of the CRMLA, or the California Finance Lenders Law, or any state or federal law relating to his employment as a MLO; and, (3) any conviction of any felony or a misdemeanor involving an act of fraud, dishonesty or deceit. Stevens also understands and hereby waives all notice and hearing rights to contest an immediate revocation of his MLO License initiated pursuant to this provision, which may be afforded under the CRMLA, the Administrative Procedure Act, the Code of Civil Procedure, or any other provision of law in connection with these matters.

5. Full and Final Agreement. The parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of the Administrative Action and that no further proceedings or actions will be brought by the Commissioner in

1 connection with these matters either under the CRMLA or any other provision of law, excepting
2 therefrom any proceeding or action if such proceeding or action is based upon facts not presently
3 known to the Commissioner or which were concealed from the Commissioner by Stevens.

4 6. Resolution and Commissioner’s Duties. The parties further acknowledge and agree
5 that nothing contained in this Agreement shall operate to limit the Commissioner’s ability to assist
6 any other agency (city, county, state or federal) with any prosecution, administrative, civil or
7 criminal, brought by any such agency against Stevens based upon any of the activities alleged in
8 these matters or otherwise.

9 7. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
10 has had an opportunity to seek independent advice from its attorney(s) and/or representatives with
11 respect to the advisability of executing this Agreement.

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

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

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1 10. No Presumption from Drafting. In that the parties have had the opportunity to draft,
2 review and edit the language of this Agreement, no presumption for or against any party arising out
3 of drafting all or any part of this Agreement will be applied in any action relating to, connected to,
4 or involving this Agreement. Accordingly, the parties waive the benefit of Civil Code section 1654
5 and any successor or amended statute, providing that in cases of uncertainty, language of a contract
6 should be interpreted most strongly against the party who caused the uncertainty to exist.

7 11. Voluntary Agreement. Stevens enters into this Agreement voluntarily and without
8 coercion and acknowledges that no promises, threats or assurances have been made by the
9 Commissioner or any officer, or agent thereof, about this Agreement.

10 12. Waiver, Modification and Qualified Integration. The waiver of any provision of this
11 Agreement shall not operate to waive any other provision set forth herein, and any waiver,
12 amendment and/or change to the terms of this Agreement must be in writing and signed by the
13 parties.

14 13. Counterparts. The parties agree that this Agreement may be executed in one or more
15 separate counterparts, each of which when so executed, shall be deemed an original. A fax
16 signature shall be deemed the same as an original signature. Such counterparts shall together
17 constitute and be one and the same instrument.

18 14. Governing Law. This Agreement shall be construed and enforced in accordance with
19 and governed by California law.

20 15. Effective Date. This Agreement shall not become effective until signed by all parties
21 and delivered by the Commissioner’s agent to rick.stevens@geqfinance.com.

22 16. Settlement Authority. Each signator hereto covenants that he/she possesses all
23 necessary capacity and authority to sign and enter into this Agreement.

24 17. Headings. The headings to the paragraphs of the Settlement Agreement are inserted
25 for convenience only and will not be deemed a part hereof or affect the construction or interpretation
26 of the provisions hereof.

27 18. Binding. This Agreement is binding on all heirs, assigns and/or successors in
28 interest.

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19. Notice. Any notices required under this Agreement shall be provided to each party at the following addresses:

If to Respondent to: Richard Anthony Stevens
3556 Clairemont Drive
San Diego, California 92117

If to the Commissioner to: Marisa I. Urteaga-Watkins, Counsel
Department of Business Oversight
1515 K Street, Suite 200
Sacramento, California 95814

Dated: 12/6/19 MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: 12/4/19

By _____
RICHARD ANTHONY STEVENS