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

11 In the Matter of: )  
 )  
12 THE COMMISSIONER OF BUSINESS ) NMLS No.: 1759407  
13 OVERSIGHT, )  
 ) SPONSOR FILE No.: N/A  
14 Complainant, )  
 ) STATEMENT OF ISSUES  
15 v. )  
 )  
16 GREGORY WAYNE LOMBA, )  
17 )  
18 Respondent. )  
 )

19  
20 The Commissioner of Business Oversight (Commissioner) is informed and believes, and  
21 based upon such information and belief, alleges and charges Respondent Gregory Wayne Lomba  
22 (Lomba) as follows:

23 **I.**

24 **Introduction**

25 1. The proposed order seeks to deny the issuance of a mortgage loan originator license  
26 to Lomba pursuant to Financial Code sections 22109.1 and 50141 in that Lomba has failed to  
27 demonstrate such financial responsibility, character, and general fitness as to command the  
28 confidence of the community and to warrant a determination that he will operate honestly, fairly, and

1 efficiently.

2 **II.**

3 **The Application**

4 2. On or about August 20, 2019, Lomba filed an application for a mortgage loan  
5 originator license with the Commissioner pursuant to the California Financing Law (CFL) (Fin.  
6 Code § 22000 *et. seq.*) and the California Residential Mortgage Lending Act (CRMLA) (Fin. Code §  
7 50000 *et. Seq.*), in particular, Financial Code sections 22105.1 and 50140. The application was  
8 submitted to the Commissioner by filing Form MU4 through the Nationwide Mortgage Licensing  
9 System (NMLS). Lomba signed the Form MU4 attesting that the answers were true and complete to  
10 the best of his knowledge.

11 3. Form MU4 at Question (F)(1) asks: “Have you ever been convicted of or pled guilty  
12 or nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?” Lomba  
13 answered yes to the question.

14 4. Form MU4 at Question (H) (1) asks: “Have you ever been convicted of or pled guilty  
15 or nolo contendere (“no contest”) in a domestic, foreign, or military court to committing or  
16 conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related  
17 business, (ii) fraud, (iii) false statement or omissions, (iv) theft or wrongful taking of property, (v)  
18 bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion?” Lomba answered yes to  
19 this question.

20 5. Form MU4 at Question (K) (5) asks: “Has any State or federal regulatory agency or  
21 foreign financial regulatory agency or self-regulatory organization (SRO) ever: revoked your  
22 registration or license?” Lomba answered yes to this question.

23 **III.**

24 **Criminal Convictions**

25 6. The explanation and documents uploaded by Lomba with his MU4, disclosed the  
26 following pertinent criminal convictions: (i) on or about March 22, 2011, Lomba pled guilty to one  
27 count of Health and Safety Code section 11368 (forging and issuing a prescription); a misdemeanor,  
28 in Contra Costa County; (ii) on or about February 10, 2012, Lomba pled guilty to three counts of

1 Civil Code section 2944.7 (mortgage loan modification violation); a misdemeanor, in Contra Costa  
2 County; and (iii) on or about May 30, 2014, Lomba pled guilty to one count of Penal Code section  
3 32 (accessory after the fact to grand theft); a felony, in Alameda County Superior Court, which was  
4 reduced to a misdemeanor on or about November 18, 2014.

5 **IV.**

6 **Administrative Actions**

7 7. The explanation and documents uploaded by Lomba with his MU4, disclosed the  
8 following administrative actions: (i) on or about August 5, 2005, the Department of Real Estate  
9 (DRE) denied Lomba’s application for a real estate salesperson license, but granted a restricted  
10 license based upon numerous drug and alcohol related convictions; (ii) on or about December 31,  
11 2009, DRE revoked Lomba’s restricted salesperson license based upon a further criminal conviction  
12 (DUI) occurring on or about January 25, 2008; and (iii) on or about April 18, 2011, DRE issued an  
13 Desist and Refrain Order against Lomba for engaging in unlicensed real estate broker activity.

14 **V.**

15 **Licensing Requirements**

16 8. Financial Code sections 22109.1 and 50141 provide in relevant part:

17 (a) The commissioner shall deny an application for a mortgage loan  
18 originator license unless the commissioner makes, at a minimum, the  
19 following findings:

20 . . .

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

25 9. California Code of Regulations, title 10, sections 1422.6.2 and 1950.12.5.2 provide in  
26 relevant part:

27 (a) The Commissioner's finding required by Section 22109.1(c) of the California  
28 Finance Lenders Law/Section 50141(c) of the California Residential Mortgage  
Lending Act relates to any matter, personal or professional, that may  
impact upon an applicant's propensity to operate honestly, fairly, and efficiently  
when engaging in the role of a mortgage loan originator.

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(c) An applicant may be precluded from obtaining a mortgage loan originator license where his or her personal history includes:

(1) Any liens or judgments for fraud, misrepresentation, dishonest dealing, and/or mishandling of trust funds, or

(2) Other liens, judgments, or financial or professional conditions that indicate a pattern of dishonesty on the part of the applicant.

**VI.**

**Conclusion**

Complainant finds, by reason of the foregoing, that:

(1) On or about August 5, 2005, Lomba was denied a real estate salesperson license by the California Department of Real Estate (DRE) and granted a restricted license based upon numerous drug and alcohol related convictions;

(2) On or about December 31, 2009, Lomba’s restricted salesperson license was revoked by the DRE based upon a further criminal conviction (DUI) occurring on or about January 25, 2008;

(3) On or about March 22, 2011, Lomba was convicted in the State of California on one count of Health and Safety Code section 11368 (forging and issuing a prescription); a misdemeanor involving an act of dishonesty.

(4) On or about April 18, 2011, a Desist and Refrain Order was issued against Lomba by DRE for engaging in unlicensed real estate broker activity;

(5) On or about February 10, 2012, Lomba was convicted in the State of California on three counts of Civil Code section 2944.7 (mortgage loan modification violation); a misdemeanor involving an act of dishonesty and breach of trust;

(6) On or about May 30, 2014, Lomba was convicted in the State of California on one count of Penal Code section 32 (accessory after the fact to Grand Theft); a felony involving an act of dishonesty and breach of trust, which was reduced to a misdemeanor on or about November 18, 2014; and

(7) Lomba has failed to demonstrate the financial responsibility, character and fitness

1 required of a mortgage loan originator under the California Financing Law and the California  
2 Residential Mortgage Lending Act as demonstrated by his continuous history of dishonest acts and  
3 disregard for the regulatory oversight process.

4       THEREFORE, the Commissioner asserts that he is mandated under Financial Code sections  
5 22109.1 and 50141 to deny the mortgage loan originator application of Gregory Wayne Lomba.

6                               **VII.**

7                               **Prayer**

8       WHEREFORE IT IS PRAYED that the mortgage loan originator application filed by  
9 Gregory Wayne Lomba on August 20, 2019 be denied.

10 Dated: January 13, 2020  
11       Los Angeles, CA

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

12  
13 By \_\_\_\_\_  
14       Judy L. Hartley  
15       Senior Counsel  
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