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7 Attorneys for Complainant

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

11 In the Matter of:)	
)	OAH No. 2020020385
12 THE COMMISSIONER OF BUSINESS)	
13 OVERSIGHT,)	NMLS No.: 1759407
)	
14 Complainant,)	SPONSOR NO.:
)	
15 v.)	SETTLEMENT AGREEMENT
)	
16 GREGORY WAYNE LOMBA,)	TRIAL DATE: December 15, 2020
)	
17 Respondent.)	ASSIGNED TO:
)	
18)	
19)	

20 This Settlement Agreement is entered into between the Commissioner of Business Oversight
21 (Commissioner) and Respondent Gregory Wayne Lomba (Lomba), and is made with respect to the
22 following facts:

23 **I.**

24 **Recitals**

25 A. The Department of Business Oversight, through the Commissioner, has jurisdiction
26 over the licensing and regulation of persons engaged in the business of making, servicing, or
27 brokering residential mortgage loans, including mortgage loan originators (MLO or MLOs), under
28

1 the California Financing Law (CFL) (Fin. Code, § 22000 et seq.) and the California Residential
2 Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et seq.).

3 B. On August 20, 2019, Lomba applied for an MLO license with the Commissioner.

4 C. On January 16, 2020, Lomba was personally served by the Commissioner with a
5 Notice of Intention to Issue Order Denying Mortgage Loan Originator License Application,
6 Statement of Issues, and accompanying documents dated January 13, 2020 (Statement of Issues). In
7 the Statement of Issues, the Commissioner alleged that Lomba had not demonstrated such financial
8 responsibility, character, and general fitness as to command the confidence of the community and to
9 warrant a determination that he will operate honestly, fairly, and efficiently as a MLO due to certain
10 prior criminal convictions and administrative actions.

11 D. On January 27, 2020, Lomba timely submitted a Notice of Defense to the
12 Commissioner requesting an administrative hearing on the allegations set forth in the Statement of
13 Issues. The administrative hearing is currently set to begin trial before the Office of Administrative
14 Hearings on December 15, 2020.

15 E. It is the intention of Lomba and the Commissioner (the Parties) to resolve this matter
16 without the necessity of a hearing.

17 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions
18 contained herein, the Parties agree as follows:

19 **II.**

20 **Terms and Conditions**

21 1. Purpose. This Settlement Agreement resolves the allegations set forth in the
22 Statement of Issues in a manner that avoids the expense of a hearing and other possible court
23 proceedings, protects consumers, is in the public interest, and is consistent with the purposes,
24 policies, and provisions of the CFL and the CRMLA.

25 2. Waiver of Hearing Rights. Lomba acknowledges that the Commissioner is ready,
26 willing, and able to proceed with the administrative enforcement action described above in
27 Paragraph C. Lomba hereby waive his right to a hearing, and to any reconsideration, appeal or other
28 right to review which may be afforded by the CFL, CRMLA, the California Administrative

1 Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection
2 herewith. By waiving such rights, Lomba effectively consent to this Settlement Agreement
3 becoming final.

4 3. Revocation of License. Lomba agrees that for the 36-month period from the effective
5 date of this Settlement Agreement, should the Commissioner make a finding that Lomba has
6 violated or is violating any provision of the CFL, the CRMLA, or any rule, regulation, or law under
7 the jurisdiction of the Commissioner, the state of California, the United States of America, and every
8 state and foreign government (and political subdivision thereof), the Commissioner may, in his
9 discretion, summarily revoke any license held by or deny any pending license application(s) of
10 Lomba. Lomba hereby waives any notice and hearing rights to contest such revocation or denial(s)
11 which may be afforded him under the CFL, CRMLA, the California Administrative Procedure Act,
12 the California Code of Civil Procedure, or any other provision of law in connection with any such
13 summary revocation and/or denial. Lomba further expressly waives any requirement for the filing of
14 an accusation and/or statement of issues under Government Code section 11415.60, subdivision (b),
15 in connection with any license revocation and/or denial under this paragraph.

16 4. Reporting Requirement. During the 36-month period from the effective date of this
17 Settlement Agreement, Lomba shall report to the Commissioner within 30 days any disciplinary
18 investigations or actions against him by any licensing agencies, any criminal investigations,
19 prosecutions, or convictions against Lomba, or any civil judgments against Lomba. Traffic citations
20 shall be excluded.

21 5. Continuing Education. Lomba agrees to annually take at least 4 hours of continuing
22 education, in addition to the 8 hours of continuing education required by Financial Code sections
23 22109.5 and 50145, offered by a Nationwide Mortgage Licensing System (NMLS) approved vendor
24 for the next 36 months and agrees to submit proof of compliance to the Commissioner. The first
25 report is due on December 31, 2020. The second report is due on December 31, 2021. The third
26 report is due on December 31, 2022. Should the reporting deadline fall on a Saturday, Sunday, or
27 state holiday, the report must be received by the Commissioner's agent by the following business
28 day.

1 6. Remedy for Breach. Lomba acknowledges and agrees that his failure to satisfy the
2 reporting and/or continuing education requirements under paragraphs 5 and 6 above, shall be
3 deemed a breach and cause for the Commissioner to immediately revoke any license held by or deny
4 any pending application(s) of Lomba. Lomba hereby waives any notice and hearing rights to contest
5 such revocation or denial(s) which may be afforded him under the CFL, CRMLA, the California
6 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
7 in connection with any such summary revocation and/or denial. Lomba further expressly waives any
8 requirement for the filing of an accusation and/or statement of issues under Government Code
9 section 11415.60, subdivision (b), in connection with any license revocation and/or denial under this
10 paragraph.

11 7. Approval of MLO Application. The Commissioner hereby acknowledges that
12 Lomba’s MLO application is ready to be approved, and the Commissioner hereby agrees to approve
13 it concurrently with the execution of this Settlement Agreement.

14 8. Full and Final Settlement. The Parties hereby acknowledge and agree that this
15 Settlement Agreement is intended to constitute a full, final, and complete resolution of the Statement
16 of Issues, and that no further proceedings or actions will be brought by the Commissioner in
17 connection with the Statement of Issues under the CFL, CRMLA or any other provision of law,
18 excepting therefrom any proceeding to enforce compliance with the terms of this Settlement
19 Agreement.

20 9. Information Willfully Withheld or Misrepresented. This Settlement Agreement may
21 be revoked, and the Commissioner may pursue any and all remedies available under the law against
22 Lomba, if the Commissioner discovers that Lomba knowingly or willfully withheld information used
23 for and relied upon in this Settlement Agreement.

24 10. Assisting Other Agencies. Nothing in this Settlement Agreement limits the
25 Commissioner’s ability to assist any other government agency (city, county, state, or federal) with
26 any administrative, civil or criminal prosecutions brought by that agency against Lomba or any other
27 person based upon any of the activities alleged in this matter or otherwise.

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1 11. Headings. The headings to the paragraphs of this Settlement Agreement are for
2 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
3 the provisions hereof.

4 12. Binding. This Settlement Agreement is binding on all heirs, assigns, and/or
5 successors in interest.

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

15 14. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
16 this Settlement Agreement will be valid or binding unless it is in writing and signed by each of the
17 Parties. The waiver of any provision of this Settlement Agreement will not be deemed a waiver of
18 any other provision. No waiver by either party of any breach of, or of compliance with, any
19 condition or provision of this Settlement Agreement by the other party will be considered a waiver
20 of any other condition or provision or of the same condition or provision at another time.

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

27 16. Governing Law. This Settlement Agreement will be governed by and construed in
28 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,

1 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
2 forum to the maintenance of such action or proceeding in such court.

3 17. Counterparts. This Settlement Agreement may be executed in one or more separate
4 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
5 together constitute a single document.

6 18. Mandatory Disclosure in Future Applications. Lomba agrees to disclose this
7 Stipulation in any application for a license, permit or qualification under the Commissioner’s
8 current or future jurisdiction.

9 19. Effect Upon Future Proceedings. If Lomba is the subject of any future action by the
10 Commissioner to enforce this Settlement Agreement, then the subject matter hereof shall be admitted
11 for the purpose of such action.

12 20. Voluntary Agreement. Lomba enters into this Settlement Agreement voluntarily and
13 without coercion and acknowledges that no promises, threats or assurances have been made by the
14 Commissioner or any officer, or agent thereof, about this Settlement Agreement. The Parties each
15 represent and acknowledge that he, she or it is executing this Settlement Agreement completely
16 voluntarily and without any duress or undue influence of any kind from any source.

17 21. Notice. Any notice/report required under this Settlement Agreement shall be
18 addressed as follows:

19 To Lomba: Joshua A. Rosenthal, Esq.
20 Hargrave Rosenthal P.C.
21 FountainGrove Executive Center
22 3562 Round Barn Circle, Suite 212
23 Santa Rosa, California 95403
24 jrosenthal@hargraverosenthal.com

25 To the Commissioner: Judy L. Hartley, Esq.
26 Senior Counsel
27 Department of Business Oversight
28 320 W. 4th Street, Suite 750
Los Angeles, California 90013-2344
judy.hartley@dbo.ca.gov

22. Signatures. A fax or electronic mail signature shall be deemed the same as an original

1 signature.

2 23. Public Record. Lomba hereby acknowledges that this Settlement Agreement is and
3 will be a matter of public record.

4 24. Effective Date. This Settlement Agreement shall become final and effective when
5 signed by all parties and delivered by the Commissioner’s counsel via e-mail to Lomba’s counsel,
6 Joshua A. Rosenthal, at jrosenthal@hargraverosenthal.com.

7 25. Authority to Sign. Each signatory hereto covenants that he or she possesses all
8 necessary capacity and authority to sign and enter into this Settlement Agreement and
9 undertake the obligations set forth herein.

10
11 Dated: July 6, 2020

MANUEL P. ALVAREZ
Commissioner of Business Oversight

12
13 By _____
14 MARY ANN SMITH
Deputy Commissioner

15 Dated: July 2, 2020

16 By _____
17 GREGORY WAYNE LOMBA, an individual

18
19 APPROVED AS TO FORM:

20 By _____
21 JOSHUA A. ROSENTHAL, ESQ. attorney for
22 GREGORY WAYNE LOMBA

23 Commissioner of Business Oversight

24 By _____
25 JUDY L. HARTLEY, ESQ.
Senior Counsel