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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.: 141048  
13 OVERSIGHT, )  
 ) SPONSOR FILE No.: 413-1098  
14 Complainant, )  
 ) ACCUSATION  
15 v. )  
 )  
16 KRISTINA IRENE WIEST, )  
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 Kristina Irene Wiest  
22 (Wiest) as follows:

23 **I.**

24 **Introduction**

25 1. Respondent Wiest is a mortgage loan originator (MLO) licensed by the  
26 Commissioner pursuant to the California Financing Law (CFL) (Fin. Code § 22000 et. seq.) and the  
27 California Residential Mortgage Lending Act (CRMLA) (Fin. Code § 50000 et. seq.). Wiest has  
28 been licensed as an MLO in California since on or about April 13, 2010.

ACCUSATION

**II.****Employment Termination**

2. On or about May 14, 2020, the Department of Business Oversight (Department) received notification through the Nationwide Mortgage Licensing System (NMLS) that Cardinal Financial Company, Limited Partnership (Cardinal) had removed its sponsorship of Wiest, i.e., Wiest was no longer employed with Cardinal. The information in NMLS further indicated that Wiest had been discharged by Cardinal. Cardinal is licensed by the Commissioner as a lender and broker under the CFL and a lender and servicer under the CRMLA.

3. MLO licensees are required to keep the information in their Form MU4 up to date, including responses to Disclosure Questions. Accordingly, on or about May 29, 2020, the Department notified Wiest through NMLS that her current Form MU4 discloses a “no” response to Termination Disclosure questions (Q) (1) and (2) and that NMLS records indicated she may need to respond “yes” to account for the termination status from Cardinal. MU4 Disclosure Questions (Q) (1) and (2) ask: “Have you ever voluntarily resigned, been discharged, or permitted to resign after allegations were made that accused you of: (1) violating statute(s), regulation(s), rule(s), or industry standards of conduct?” and “(2) fraud, dishonesty, theft, or the wrongful taking of property?”

4. On or about June 7, 2020, Wiest responded to the Department’s May 29, 2020 license item via email stating that she “officially resigned” from Cardinal with no explanation regarding the resignation. Wiest has not amended her Form MU4 to respond “yes” to Disclosure Questions (Q) (1) and (2).

5. On or about June 29, 2020, after receiving the self-report described in Paragraph 6 below, the Department sent an email to Wiest seeking clarification as to why she was no longer employed with Cardinal. On or about July 1, 2020, Wiest responded by referring the Department to the June 17, 2020 self-report.

**III.****Act(s) of Dishonesty**

6. On or about June 17, 2020, the Department received a self-report from Wiest, through her attorney. The self-report included a June 16, 2020 letter from Wiest’s attorney and a May 29,

1 2020 letter from Wiest. The self-report acknowledged wrongdoing for having an assistant complete  
2 a portion of her 2019 continuing education required for continued licensing as an MLO. Wiest stated  
3 she was under pressure to create a new department for her new employer (Cardinal) and simply ran  
4 out of time to complete her education requirements. Additionally, the self-report admitted that Wiest  
5 was no longer employed by Cardinal as a direct result of this matter.

6 7. On or about June 24, 2020, the NMLS Mortgage Testing and Education Board  
7 (MTEB) started an investigation of Wiest regarding the reported violation of the NMLS Rules of  
8 Conduct for Education Students. The investigation remains ongoing.

#### 9 IV.

#### 10 Material Misrepresentations and/or Omissions

11 8. On or about June 7, 2020, Wiest omitted material information when she replied that  
12 she “officially resigned” with no other information in response to the Department’s May 29, 2020  
13 license item concerning her termination from Cardinal and the possible need to update her answers  
14 to Form MU4 Disclosure Questions (Q) (1) and (2), i.e., “Have you ever voluntarily resigned, been  
15 discharged, or permitted to resign after allegations were made that accused you of: (1) violating  
16 statute(s), regulation(s), rule(s), or industry standards of conduct?” and “(2) fraud, dishonesty, theft,  
17 or the wrongful taking of property?” Wiest’s June 16, 2020 self-report admitted that she was no  
18 longer employed with Cardinal as a direct result of her having an assistant complete a portion of her  
19 required continuing education in 2019.

20 9. Based upon the statements made in the June 16, 2020 self-report, Wiest was required  
21 to amend her Form MU4 and respond “yes” to Disclosure Questions (Q) (1) and (2). Wiest has  
22 submitted and attested to at least three amended Form MU4’s since May 29, 2020. None of these  
23 amended Form MU4’s responded affirmatively to Disclosure Questions (Q) (1) and (2).

#### 24 V.

#### 25 Revocation Statutes

26 10. Financial Code section 22714 provides in relevant part:

27 (a) The commissioner shall suspend or revoke any license, upon notice and  
28 reasonable opportunity to be heard, if the commissioner find any of the following:

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(3) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonable would have warranted the commissioner in refusing to issue the license originally.

11. Financial Code section 50327 provides in relevant part:

(a) The commissioner may, after notice and a reasonable opportunity to be heard, deny, decline to renew, suspend, or revoke any license if the commissioner finds that:

...

(2) Any fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

12. Financial Code sections 22109.1 and 50141 provide in relevant 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.

13. California Code of Regulations, title 10, section 1422.6.2 and 1950.12.5.2 provide in relevant part:

(a) The Commissioner's finding required by Section 22109.1(c) of the California Finance Lenders Law/Section 501414(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.

...

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

...

(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 (1) In 2019, Wiest engaged in an act of dishonesty by having an assistant complete a  
2 portion of her 2019 continuing education required for continued licensing as an MLO – an act of  
3 dishonesty;

4 (2) In or about May 2020, Wiest was no longer employed with Cardinal as a direct result  
5 of her having an assistant complete a portion of her required continuing education in 2019;

6 (3) On or about June 7, 2020, Wiest omitted material information to the Commissioner  
7 when she replied that she “officially resigned” with no other information in response to the  
8 Department’s May 29, 2020 license item concerning her termination from Cardinal and the possible  
9 need to update her answers to Form MU4 Disclosure Questions (Q) (1) and (2);

10 (4) Wiest has made material misrepresentations to the Commissioner when she submitted  
11 and attested to at least three amended Form MU4’s since May 29, 2020 as none of the amended  
12 Form MU4’s responded affirmatively to Disclosure Questions (Q) (1) and (2); and as a result of the  
13 above,

14 (5) Wiest has failed to demonstrate the financial responsibility, character and fitness  
15 required of a mortgage loan originator under the California Financing Law.

16 THEREFORE, the Commissioner asserts that it is the best interest of the public that the  
17 mortgage loan originator license of Kristina Irene Wiest be revoked.

18 **VII.**

19 **Prayer**

20 WHEREFORE IT IS PRAYED that the mortgage loan originator license of Kristina Irene  
21 Wiest be revoked.

22 Dated: July 23, 2020  
23 Los Angeles, CA

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

24  
25  
26 By \_\_\_\_\_  
27 Judy L. Hartley  
28 Senior Counsel