

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN ROONEY  
Assistant Chief Counsel  
3 MARLOU de LUNA (State Bar No. 162259)  
4 Senior Counsel  
5 Department of Business Oversight  
320 W. 4th Street, Suite 750  
6 Los Angeles, CA 90013-2344  
(213) 576-7606

7  
8 Attorneys for Complainant

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

12 In the Matter of:	)	NMLS ID NO.: 1712295
13	)	
14 THE COMMISSIONER OF BUSINESS OVERSIGHT,	)	
15	)	SETTLEMENT AGREEMENT
16 Complainant,	)	
17 v.	)	Date: September 21-22, 2020
18	)	Time: 9:00 a.m.
19 NICHOLAS ALAN COPLIEN,	)	Location: Office of Administrative Hearings
20	)	320 West 4th Street, Suite 630
21 Respondent.	)	Los Angeles, California 90013
	)	Judge: Unassigned
	)	

22 This Settlement Agreement (Agreement) is entered into between the Commissioner of  
23 Business Oversight (Commissioner) and Nicholas Alan Coplien (Coplien) and is made with respect  
24 to the following facts:

25 **I.**

26 **Recitals**

27 A. The Commissioner has jurisdiction over the licensing and regulation of persons  
28 engage in the business of making or servicing residential mortgage loans, including mortgage loan

1 originators under the California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et  
2 seq.)

3 B. On February 21, 2019, Coplien filed an application for a mortgage loan originator  
4 (MLO) license under the CRMLA. Coplien did not have a sponsoring employer at the time of his  
5 application.

6 C. On March 15, 2019, Coplien’s MLO license application was approved but it was  
7 placed in an inactive status because he did not have a sponsoring employer.

8 D. On March 19, 2019, Coplien’s sponsorship with Norwich Commercial Group, Inc.,  
9 also referred to as Norcom Mortgage (Norcom), an entity licensed by the Commissioner under the  
10 CRMLA (NMLS ID no. 71655), was accepted and his MLO license was placed in an active status.

11 E. On April 9, 2019, the Commissioner received a report from Norcom concerning  
12 several individuals, employed by or associated with Norcom in its South Carolina branch<sup>1</sup>, for  
13 violations of the CRMLA. Coplien was named as one of the individuals identified in Norcom’s  
14 report. Norcom claimed that Coplien used an email address that was neither authorized nor approved  
15 by Norcom and that Coplien used an unauthorized employment title, “Loan Associate”, a title not  
16 recognized by Norcom.

17 F. On January 31, 2020, the Commissioner issued a Notice of Intention,  
18 Accusation, and accompanying documents. On February 3, 2020, the documents were served by  
19 certified mail at Coplien’s address provided by Coplien. An amended accusation was issued by the  
20 Commissioner and served on Coplien by certified mail on March 26, 2020.

21 G. A hearing is currently set to be held at the Office of Administrative Hearings on  
22 September 21 and 22, 2020.

23 H. The Commissioner finds that entering into this Agreement is in the public interest and  
24 consistent with the purposes fairly intended by the policy and provisions of the CRMLA.

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26 \_\_\_\_\_  
27 <sup>1</sup> Norcom’s South Carolina branch location was originally licensed by the Commissioner on January 31, 2018, but the  
28 company surrendered its South Carolina branch license on May 2, 2019.

1 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions  
2 contained herein, the parties agree as follows:

3 **II.**

4 **Terms and Conditions**

5 1. **Purpose.** It is the intention and desire of the parties to resolve this matter without the  
6 necessity of a hearing or other litigation for the purpose of judicial economy and expediency, and to  
7 avoid the expense of a hearing, and possible further court proceedings.

8 2. **Waiver of Hearing Rights.** Coplien agrees that this Agreement shall have the effect of  
9 withdrawing his request for an administrative hearing on the matter set forth herein. Coplien  
10 acknowledges his right to an administrative hearing under the CRMLA in connection with the  
11 Accusation set forth above, and hereby waives such right to hearing, and to any reconsideration,  
12 appeal, or other rights which may be afforded to him under the CRMLA; the Administrative  
13 Procedure Act (APA) (Govt. Code, § 11370 et seq.); the Code of Civil Procedure (CCP) (Code of  
14 Civ. Proc., § 1 et seq.); or any other provision of law in connection with these matters. By waiving  
15 such rights, Coplien effectively consents to the finality of this Agreement.

16 3. **Dismissal of Notice of Intention.** Except as otherwise provided herein, the parties  
17 acknowledge that this Agreement shall have the effect of dismissing the Notice of Intention,  
18 Accusation, and accompanying documents cited in Paragraph F. The dismissal shall become effective  
19 on the Effective Date of this Agreement, as such date is defined in Paragraph 19.

20 4. **Continuing Education.** Coplien agrees that for 36 months immediately following the  
21 Effective Date of this Agreement, Coplien shall annually complete at least 16 hours of continuing  
22 education offered by a vendor approved by the Nationwide Mortgage Licensing System and Registry  
23 (NMLS). Proof of annual compliance (Compliance Report) shall be submitted no later than  
24 September 30 of each year to the Commissioner's agent specified in Paragraph 20.

25 5. **Suspension of MLO License.** For a period of 12 months, beginning September 18,  
26 2020, Coplien's MLO license shall be suspended.

27 6. **Administrative Penalties.** In consideration of the dismissal of the Notice of Intention  
28 effected by Paragraph 3 above, Coplien agrees to pay an administrative penalty to the Commissioner

1 in the amount of \$1,500.00 (Administrative Penalty). Coplien shall pay the Administrative Penalty in  
2 three (3) installments of \$500.00 each, payment to be received by the Department no later than the  
3 following dates: (1) October 15, 2020; (2) November 15, 2020; and (3) December 15, 2020. Payment  
4 in the form of a cashier's check shall be made payable to "The Department of Business Oversight"  
5 and mailed to the Commissioner's agent specified in Paragraph 20 below. In the event the payment  
6 due date falls on a weekend or holiday, the payment shall be due the next business day. Coplien  
7 acknowledges that failure to timely pay the Administrative Penalty shall be a violation of this  
8 Agreement and constitute cause for the Commissioner to immediately issue an order under Paragraph  
9 7 below.

10 7. Commissioner's Remedy for Violation. Coplien agrees that for 36 months  
11 immediately following the Effective Date of this Agreement, if the Commissioner makes a finding  
12 that Coplien has violated or is violating any provision of this Agreement, or of the CRMLA, or of any  
13 rule, regulation, or law under the jurisdiction of the Commissioner or that he is subject to a  
14 disciplinary action taken by the State of California (or any legal subdivision thereof, including city  
15 and county), another state, any agency of the federal government, or another country for any action  
16 substantially related to the activity regulated under the CRMLA, the Commissioner may, in his sole  
17 discretion, issue to Coplien a final order revoking his MLO license. Coplien waives all notice and  
18 hearing rights to contest any revocation order issued under this provision, which may be afforded  
19 under the CRMLA, the APA, the CCP, or any other provision of law in connection with these  
20 matters.

21 8. Agreement Coverage. The parties hereby acknowledge that this Agreement is intended  
22 to constitute a full, final, and complete resolution of the matter set forth herein.

23 9. Commissioner's Duties. The parties further acknowledge and agree that nothing  
24 contained in this Agreement shall operate to limit the Commissioner's ability to assist any other  
25 agency (city, county, state or federal) with any prosecution (administrative, civil, or criminal) brought  
26 by any such agency against Coplien or any other person based on any of the activities alleged in this  
27 matter or otherwise.

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1           10.    Independent Legal Advice. Each of the parties represents, warrants, and agrees that it  
2 has received independent advice from their attorneys or representatives with respect to the  
3 advisability of executing this Agreement.

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

13           12.    Full Integration. This Agreement is the final written expression and the complete and  
14 exclusive statement of all agreements, conditions, promises, representations, and covenants between  
15 the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous  
16 agreements, negotiations, representations, understandings, and discussions between and among the  
17 parties, their respective representatives, and any other person or entity, with respect to the subject  
18 matter covered by the Agreement.

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

25           14.    Headings and Governing Law. The headings to the paragraphs of this Agreement are  
26 inserted for convenience only and will not be deemed a part hereof or affect the construction or  
27 interpretation of the provisions of the Agreement.

28

1           15.    Voluntary Agreement. Coplien enters into this Agreement voluntarily and without  
2 coercion and acknowledges that no promises, threats, or assurances have been made by the  
3 Commissioner or any officer, or agent thereof, about this Agreement.

4           16.    Waiver. The waiver of any provision of this Agreement shall not operate to waive any  
5 other provision set forth herein, and any waiver, amendment, or change to the terms of this  
6 Agreement must be in writing and signed by the parties.

7           17.    Counterparts. The parties agree that this Agreement may be executed in one or more  
8 separate counterparts, each of which, when so executed, shall be deemed an original. A facsimile or  
9 scanned signature shall be deemed the same as an original signature. Such counterparts together  
10 constitute one document.

11           18.    Capacity. Each signatory hereto covenants that he or she possesses all necessary  
12 capacity and authority to sign and enter into this Agreement.

13           19.    Effective Date. This Agreement shall become effective (Effective Date) when  
14 executed by the Commissioner or her designee and transmitted by electronic mail to Coplien's legal  
15 counsel at fred@rayandbishop.com.

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

18           If to Coplien to:                                 Fred Ray, Esq.  
19   Ray & Bishop, PLC  
20   5000 Birch Street, Suite 7000  
21   Newport Beach, CA 92660

21           If to the Commissioner to:                         Marlou de Luna, Senior Counsel  
22   Department of Business Oversight  
23   320 W. 4th Street, Suite 750  
24   Los Angeles, CA 90013-2344

25   *Signature Page Follows*

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Dated: September 17, 2020

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner

Dated: September 17,2020

NICHOLAS ALAN COPLIEN

By: \_\_\_\_\_  
NICHOLAS ALAN COPLIEN

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Fred Ray, Esq.  
Attorney for Nicholas Alan Coplien