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7 Attorneys for Complainant

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

10
11 In the Matter of:)
) NMLS No.: 1993115
12 THE COMMISSIONER OF BUSINESS)
13 OVERSIGHT,)
) CONSENT ORDER
14 Complainant,)
)
15 v.)
)
16 JOSEPH SAMUEL PUGLISE,)
17)
18 Respondent.)
)

19
20 This Consent Order is entered into between the Commissioner of Business Oversight
21 (Commissioner) and Respondent Joseph Samuel Puglise (Puglise), 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 the California Financing Law (CFL) (Fin. Code, § 22000 et seq.) and the California Residential

1 Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et seq.).

2 B. On June 25, 2020, Puglise applied for an MLO license with the Commissioner.

3 C. The MLO license application of Puglise disclosed that in 2013, the Department of
4 Real Estate (DRE), pursuant to a Stipulation and Agreement, had censured Puglise for failure to
5 adequately exercise supervision as the supervising broker of a DRE licensed entity. The DRE later
6 suspended the broker license of Puglise for failing to take and pass the DRE Professional
7 Responsibility Examination within the allotted six-month period.

8 D. It is the intention of Puglise and the Commissioner (the Parties) to resolve this matter
9 without the necessity of a hearing.

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

12 **II.**

13 **Terms and Conditions**

14 1. Purpose. This Consent Order resolves the findings described in Paragraph C above
15 in a manner that avoids the expense of a hearing and other possible court proceedings, protects
16 consumers, is in the public interest, and is consistent with the purposes, policies, and provisions
17 of the CFL and the CRMLA.

18 2. Waiver of Hearing Rights. Puglise acknowledges that the Commissioner is ready,
19 willing, and able to proceed with the filing of an administrative enforcement action on the findings
20 contained in this Consent Order. Puglise hereby waives his right to a hearing, and to any
21 reconsideration, appeal or other right to review which may be afforded by the CFL, CRMLA, the
22 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
23 provision of law in connection herewith. By waiving such rights, Puglise effectively consents to this
24 Consent Order becoming final.

25 3. Revocation of License. Puglise agrees that for the 12-month period from the effective
26 date of this Consent Order, should the Commissioner make a finding that Puglise has violated or is
27 violating any provision of the CFL, the CRMLA, or any rule, regulation, or law under the
28 jurisdiction of the Commissioner, the state of California, the United States of America, and every

1 state and foreign government (and political subdivision thereof), the Commissioner may, in his
2 discretion, summarily revoke any license held by or deny any pending license application(s) of
3 Puglise. Puglise hereby waives any notice and hearing rights to contest such revocation or denial(s)
4 which may be afforded him under the CFL, CRMLA, the California Administrative Procedure Act,
5 the California Code of Civil Procedure, or any other provision of law in connection with any such
6 summary revocation and/or denial. Puglise further expressly waives any requirement for the filing
7 of an accusation and/or statement of issues under Government Code section 11415.60, subdivision
8 (b), in connection with any license revocation and/or denial under this paragraph.

9 4. Reporting Requirement. During the 12-month period from the effective date of this
10 Consent Order, Puglise shall report to the Commissioner within 30 days any disciplinary
11 investigations or actions against him by any licensing agencies, any criminal investigations,
12 prosecutions, or convictions against Puglise, or any civil judgments against Puglise. Traffic citations
13 shall be excluded.

14 5. Continuing Education. Puglise agrees to: (i) take an additional 8 hours of continuing
15 education, in addition to the 8 hours of continuing education required by Financial Code sections
16 22109.5 and 50145, offered by a Nationwide Mortgage Licensing System (NMLS) approved vendor;
17 and (ii) submit proof of compliance to the Commissioner, during the next 12 months. The additional
18 continuing education shall include the following: (i) three hours of Federal law and regulations; (ii)
19 two hours of ethics; (iii) two hours of training related to lending standards for the nontraditional
20 mortgage product market; and (iv) one hour of undefined instruction on mortgage origination.

21 6. Remedy for Breach. Puglise acknowledges and agrees that his failure to satisfy the
22 reporting and/or continuing education requirements under paragraphs 4 and 5 above, shall be
23 deemed a breach and cause for the Commissioner to immediately revoke any license held by or deny
24 any pending application(s) of Puglise. Puglise hereby waives any notice and hearing rights to contest
25 such revocation or denial(s) which may be afforded him under the CFL, CRMLA, the California
26 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
27 in connection with any such summary revocation and/or denial. Puglise further expressly waives any
28 requirement for the filing of an accusation and/or statement of issues under Government Code

1 section 11415.60, subdivision (b), in connection with any license revocation and/or denial under this
2 paragraph.

3 7. Approval of MLO Application. The Commissioner hereby acknowledges that the
4 MLO license application of Puglise is ready to be approved, and the Commissioner hereby agrees to
5 approve it concurrently with the execution of this Consent Order.

6 8. Full and Final Settlement. The Parties hereby acknowledge and agree that this
7 Consent Order is intended to constitute a full, final, and complete resolution of the findings
8 described in Paragraph C above, and that no further proceedings or actions will be brought by the
9 Commissioner in connection with the with the findings described in Paragraph C above under the
10 CFL, CRMLA or any other provision of law, excepting therefrom any proceeding to enforce
11 compliance with the terms of this Consent Order.

12 9. Information Willfully Withheld or Misrepresented. This Consent Order may be
13 revoked, and the Commissioner may pursue any and all remedies available under the law against
14 Puglise, if the Commissioner discovers that Puglise knowingly or willfully withheld information
15 used for and relied upon in this Consent Order.

16 10. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s
17 ability to assist any other government agency (city, county, state, or federal) with any administrative,
18 civil or criminal prosecutions brought by that agency against Puglise or any other person based upon
19 any of the activities alleged in this matter or otherwise.

20 11. Headings. The headings to the paragraphs of this Consent Order are for convenience
21 only and will not be deemed a part hereof or affect the construction or interpretation of the
22 provisions hereof.

23 12. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
24 interest.

25 13. Reliance. Each of the Parties represents, warrants, and agrees that in executing this
26 Consent Order it has relied solely on the statements set forth herein and the advice of its own
27 counsel. Each of the Parties further represents, warrants, and agrees that in executing this Consent
28 Order it has placed no reliance on any statement, representation, or promise of any other party, or

1 any other person or entity not expressly set forth herein, or upon the failure of any party or any other
2 person or entity to make any statement, representation or disclosure of anything whatsoever. The
3 Parties have included this clause: (1) to preclude any claim that any party was in any way
4 fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of parol
5 evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

6 14. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
7 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.
8 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
9 provision. No waiver by either party of any breach of, or of compliance with, any condition or
10 provision of this Consent Order by the other party will be considered a waiver of any other condition
11 or provision or of the same condition or provision at another time.

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

18 16. Governing Law. This Consent Order will be governed by and construed in
19 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,
20 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
21 forum to the maintenance of such action or proceeding in such court.

22 17. Counterparts. This Consent Order may be executed in one or more separate
23 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
24 together constitute a single document.

25 18. Mandatory Disclosure in Future Applications. Puglise agrees to disclose this
26 Consent Order in any application for a license, permit or qualification under the Commissioner's
27 current or future jurisdiction.

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1 19. Effect Upon Future Proceedings. If Puglise is the subject of any future action by the
2 Commissioner to enforce this Consent Order, then the subject matter hereof shall be admitted for the
3 purpose of such action.

4 20. Voluntary Agreement. Puglise enters into this Consent Order voluntarily and without
5 coercion and acknowledges that no promises, threats or assurances have been made by the
6 Commissioner or any officer, or agent thereof, about this Consent Order. The Parties each represent
7 and acknowledge that he, she or it is executing this Consent Order completely voluntarily and
8 without any duress or undue influence of any kind from any source.

9 21. Notice. Any notice/report required under this Consent Order shall be addressed as
10 follows:

- | | |
|-----------------------------------|--|
| 11 To Puglise: | Joseph Samuel Puglise
browsemonster@gmail.com |
| 12 | |
| 13 To the Commissioner: | Judy L. Hartley, Esq.
Senior Counsel
Department of Business Oversight
320 W. 4 th Street, Suite 750
Los Angeles, California 90013-2344
judy.hartley@dbo.ca.gov |
| 14 | |
| 15 | |
| 16 | |

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

19 23. Public Record. Puglise hereby acknowledges that this Consent Order is and will be a
20 matter of public record.

21 24. Effective Date. This Consent Order shall become final and effective when signed by
22 all parties and delivered by the Commissioner’s counsel via e-mail to Puglise at
23 browsemonster@gmail.com.

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

Dated: September 21, 2020

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
MARY ANN SMITH
Deputy Commissioner

Dated: September 21, 2020

By _____
JOSEPH SAMUEL PUGLISE, an individual