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7 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
9 OF THE STATE OF CALIFORNIA  
10

11 In the Matter of: )  
12 )  
13 THE COMMISSIONER OF FINANCIAL ) NMLS NO.: 46494  
PROTECTION AND INNOVATION, ) SPONSOR NO.: N/A  
14 )  
Complainant, )  
15 v. )  
16 WILLIAM SPURGEON WRIGHT JR., ) SETTLEMENT AGREEMENT  
17 Respondent. )  
18 \_\_\_\_\_ )

19 This Settlement Agreement is entered into by and between the Commissioner of Financial  
20 Protection and Innovation formerly the Commissioner of Business Oversight (Commissioner) and  
21 William Spurgeon Wright, Jr. (Wright), and is made with respect to the following facts:

22 I.

23 Recitals

24 A. The Department of Financial Protection and Innovation formerly the Department of  
25 Business Oversight (Department), through the Commissioner, has jurisdiction over the licensing and  
26 regulation of mortgage loan originators pursuant to the California Financing Law (Fin. Code §22000,  
27 et seq.) (CFL) and the California Residential Mortgage Lending Act (CRMLA) (Fin. Code §50000 et  
28 seq.).

1 B. On December 11, 2019, Wright filed an application for a mortgage loan originator  
2 license (MLO license application) with the Commissioner pursuant to the CFL and the CRMLA, in  
3 particular, Financial Code sections 22105.1 and 50140.

4 C. On October 28, 2020, Wright 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 October 15, 2020 (Statement of Issues).

7 D. On November 11, 2020, Wright timely submitted a Notice of Defense to the  
8 Commissioner requesting an administrative hearing on the allegations set forth in the Statement of  
9 Issues.

10 E. On November 11, 2020, Wright, through NMLS, filed to withdraw his MLO license  
11 application.

12 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions  
13 contained herein, the Commissioner and Wright (the Parties) agree as follows:

14 **II.**

15 **Terms and Conditions**

16 1. **Purpose.** This Settlement Agreement resolves the Statement of Issues in a manner  
17 that avoids the expense of a hearing and other possible court proceedings, protects consumers, is  
18 in the public interest, and is consistent with the purposes, policies, and provisions of the CFL and  
19 CRMLA.

20 2. **Application Withdrawal.** The Commissioner hereby agrees, as a resolution to this  
21 matter, to consent to the pending withdrawal of the MLO license application filed by Wright on  
22 December 11, 2019 (application withdrawal).

23 3. **Waiver of Hearing Rights.** Wright acknowledges the Commissioner is ready,  
24 willing, and able to proceed with the administrative enforcement action described above in Paragraph  
25 C above. Wright hereby waives his right to any hearing, and to any reconsideration, appeal, or other  
26 right to review which may be afforded pursuant to the CFL, the CRMLA, the California  
27 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law  
28

1 in connection herewith. By waiving such rights, Wright effectively consents to this Settlement  
2 Agreement becoming final.

3 4. **Consideration.** In consideration of the Commissioner’s consent to the application  
4 withdrawal, Wright agrees that he will not apply for a further mortgage loan originator license  
5 through the Department for a period of three-years from the date of execution of this Settlement  
6 Agreement as defined in Paragraph 21 below.

7 5. **Failure to Comply.** Wright further agrees that in the event he applies for a further  
8 mortgage loan originator license with the Department prior to the expiration of the three-year period  
9 set forth herein, such application shall be deemed automatically denied. In connection with any such  
10 automatic denial, Wright hereby waives his right to any reconsideration, appeal or other right to  
11 review which may be afforded pursuant to the CFL, the CRMLA, the California Administrative  
12 Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection  
13 therewith.

14 6. **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, the CRMLA or any other provision of law,  
18 excepting therefrom any proceeding to enforce compliance with the terms of this Settlement  
19 Agreement.

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

24 8. **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 Wright or any other  
27 person based upon any of the activities alleged in this matter or otherwise.

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

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

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

25           13.       **Governing Law.** This Settlement Agreement will be governed by and construed in  
26 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,  
27 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient  
28 forum to the maintenance of such action or proceeding in such court.

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

4           15.    **Mandatory Disclosure in Future Applications.** Wright agrees to disclose this  
5 Settlement Agreement in any application for a license, permit or qualification under the  
6 Commissioner’s current or future jurisdiction.

7           16.    **Effect Upon Future Proceedings.** If Wright is the subject of any future action by the  
8 Commissioner to enforce this Settlement Agreement, then the subject matter hereof shall be admitted  
9 for the purpose of such action.

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

15          18.    **Notice.** Any notice/report required under this Settlement Agreement shall be  
16 addressed as follows:

17           To Wright:   William Spurgeon Wright, Jr.  
18   7360 Whitehall Road  
19   Shakopee, Minnesota 55379  
20   billwrightjr@gmail.com

21           To the Commissioner:   Judy L. Hartley, Esq.  
22   Senior Counsel  
23   Department of Financial Protection and Innovation  
24   320 W. 4<sup>th</sup> Street, Suite 750  
25   Los Angeles, California 90013-2344  
26   judy.hartley@dfpi.ca.gov

27          19.    **Signatures.** A fax or electronic mail signature shall be deemed the same as an  
28 original signature.

20.    **Public Record.** Wright hereby acknowledges that this Settlement Agreement is and

1 will be a matter of public record.

2 21. **Effective Date.** This Settlement Agreement shall become final and effective when  
3 signed by all Parties and delivered by the Commissioner’s counsel via e-mail to counsel for Wright at  
4 dan@gallatin-law.com

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

8 Dated: January 5, 2021

MANUEL P. ALVAREZ  
Commissioner of Financial Protection and Innovation

9  
10 By \_\_\_\_\_  
11 MARY ANN SMITH  
Deputy Commissioner

12 Dated: December 21, 2020

13 By \_\_\_\_\_  
14 WILLIAM SPURGEON WRIGHT, JR., an individual

15 APPROVED AS TO FORM:

16 By \_\_\_\_\_  
17 DANIEL M. GALLATIN, ESQ. attorney for  
18 WILLIAM SPURGEON WRIGHT, JR.