

1 MARY ANN SMITH
Deputy Commissioner
2 DANIEL P. O'DONNELL
Assistant Chief Counsel
3 MARISA I. URTEAGA-WATKINS (State Bar No. 236398)
4 Counsel
5 Department of Financial Protection and Innovation
2101 Arena Blvd.
6 Sacramento, California 95834
7 Telephone: 916-576-7430
Facsimile: 916-928-7929

8 Attorneys for Complainant

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

12 In the Matter of:) NMLS FILE NO. 281597
)
13 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,) ORDER DENYING MORTGAGE LOAN
14) ORIGINATOR LICENSE APPLICATION
15 Complainant,)
)
16 v.)
)
17 JAMES GUYOUNG PARK,)
)
18 Respondent.)
19 _____

20 Manuel P. Alvarez, the Commissioner of Financial Protection and Innovation (Commissioner),
21 finds against Respondent James Guyoung Park (Park) as follows:
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23 **I.**

24 **INTRODUCTION**

25 The Commissioner denies the issuance of a mortgage loan originator (MLO) license to Park
26 pursuant to Financial Code sections 22172, subdivision (a)(2), and 50513, subdivision (a)(2) because:
27 (1) Park made a material misstatement in his application by initially stating no regulatory agency had
28 ever issued a regulatory action against him, when in fact, Park had been the subject of two previous
significantly detrimental regulatory actions; and (2) because Park's prior regulatory history, inclusive

1 of two significantly detrimental regulatory orders, does not allow the Commissioner to determine that
2 Park would operate honestly, fairly, and efficiently within the purposes of the MLO licensing laws.

3 **II.**

4 **STATEMENT OF FACTS**

5 1. On March 1, 2007, the Washington State Department of Financial Institutions,
6 Division of Consumer Services (WDFI), through a consent order, barred Park from applying for a
7 mortgage broker license and participating in the conduct of the affairs of any mortgage broker licensed
8 by the WDFI until March 1, 2022. This consent order was issued because Park engaged in unlicensed
9 mortgage broker activity and forged a WDFI mortgage license. The WDFI found that, in violation of
10 the Washington Mortgage Broker Practices Act, Park (1) employed a scheme, device, or artifice to
11 defraud or mislead borrowers; (2) engaged in unfair or deceptive practices; (3) obtained property by
12 fraud or misrepresentation; and (4) negligently made a false statement or knowingly and willfully
13 made an omission of material fact in connection with reports filed by a mortgage broker or in
14 connection with an investigation conducted by the WDFI.

15 2. On April 29, 2016, the Commonwealth of Virginia State Corporation Commissioner
16 found that Park had engaged in the business of a mortgage loan originator without a license and
17 ordered him to cease and desist.

18 3. On September 10, 2020, Park filed an application for MLO license with the Department
19 of Financial Protection and Innovation (DFPI) (Nationwide Mortgage Licensing System & Registry
20 (NMLS)¹ No. 281597) by submitting a Form MU4 through NMLS pursuant to Financial Code
21 sections 22109.6 and 50140.

22 4. Park's initial MU4 filing dated September 10, 2020, revealed a "No" response to
23 Regulatory Disclosure Question K (1) through (9) which states:

24 *(K) Has any State or federal regulatory agency or foreign financial regulatory*
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26 ¹ NMLS stands for Nationwide Multistate Licensing System & Registry and is the system of record
27 for non-depository, financial services licensing or registration in participating agencies. including the
28 District of Columbia and U.S. Territories of Puerto Rico, the U.S. Virgin Islands, and Guam. In
these jurisdictions, NMLS is the official system for companies and individuals seeking to apply for,
amend, renew and surrender licenses authorities managed through NMLS.

1 authority or self-regulatory organization (SRO) ever: (1) found you to have
2 made a false statement or omission or been dishonest, unfair, or unethical?; (2)
3 found you to have been involved in a violation of a financial services-related
4 business regulation(s) or statute(s)?; (3) found you to have been a cause of a
5 financial services-related business having its authorization to do business
6 denied, suspended, revoked or restricted?; (4) entered an order against you in
7 connection with a financial services-related activity?; (5) revoked your
8 registration or license?; (6) denied or suspended your registration or license or
9 application for licensure, disciplined you, or otherwise by order, prevented you
10 from associating with a financial services-related business or restricted your
11 activities?; (7) barred you from association with an entity regulated by such
12 commissions, authority, agency, or officer, or from engaging in a financial
13 services-related business?; (8) issued a final order against you based on
14 violations of any law or regulations that prohibit fraudulent, manipulative, or
15 deceptive conduct?; and (9) entered an order concerning you in connection
16 with any license or registration?

11 5. In submitting his application, Park attested that the answers were true and complete to
12 the best of his knowledge.

13 6. On November 6, 2020, the DFPI created a license deficiency item² in NMLS informing
14 Park that his licensing history revealed that he should have answered “Yes” to, at minimum, question
15 (K)(9). The DFPI requested that Park file an amendment with a detailed explanation of the
16 circumstances surrounding these license actions and any applicable legal documentation.

17 7. On December 23, 2020, Park filed an amendment to his original MU4 Form changing
18 his answer from “No” to “Yes” in response to Regulatory Action Disclosure Question (K)(9) and
19 attached the WDFI Consent Order and the Commonwealth of Virginia Cease and Desist Order in
20 NMLS.

21 **III.**

22 **GROUNDS TO DENY PARK’S MLO APPLICATION**

23 8. The Commissioner is authorized under the CFL and CRMLA to deny a MLO license
24 application if an applicant withholds information or makes a material misstatement in an application
25 for a license. (Fin. Code, §§ 22172, subd. (a)(2), 50513, subd. (a)(2).)

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27 ² A “license item” is a request from a regulator such as DFPI on the NMLS website to a licensee or
28 applicant to respond to a question or take an action. The NMLS website automatically generates an
email to the licensee or applicant directing the person to check the NMLS website for the license item.

1 9. The Commissioner finds, for the foregoing reasons, that Park made a material
2 misrepresentation or withheld information in an application for a license and that this constitutes
3 grounds to deny Park’s MLO license application, pursuant to Financial Code sections 22172,
4 subdivision (a)(2), and 50513, subdivision (a)(2).

5 10. Park failed to disclose that he consented to a 15-year bar order in the State of
6 Washington, an order that is still in effect and that included allegations of forging documents. Park
7 also failed to disclose a fairly recent 2016 cease and desist order from the State of Virginia for
8 engaging in business as an unlicensed MLO. Park’s failure to disclose these material, detrimental and
9 significant regulatory actions establishes that Park failed to prove he has the requisite financial
10 responsibility, character, and general fitness as to command the confidence of the community and to
11 warrant a determination that he will operate honestly, fairly, and efficiently within the purposes of the
12 CFL and CRMLA.

13 **IV.**

14 **CONCLUSION**

15 The Commissioner finds, by reason of the foregoing, that Park withheld information or made a
16 material misstatement in an application for a license. The Commissioner further finds that Park fails to
17 demonstrate such character and general fitness as to command the confidence of the community and to
18 warrant a determination that Park will operate honestly, fairly, and efficiently as mortgage loan
19 originator.

20 THEREFORE, Financial Code section 22109.1 mandates that the Commissioner not issue a
21 mortgage loan originator license to Park, and Financial Code section 50513 further authorizes the
22 Commissioner to deny this license application.

23 WHEREFORE on March 22, 2021, the Commissioner issued a Notice of Intention to Issue
24 Order Denying Mortgage Loan Originator License Application, Statement of Issues, and
25 accompanying documents (Notice of Intention to Deny) based on the above findings. The Notice of

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Intention to Deny was served on Park on March 31, 2021. Park did not request a hearing and the time to request a hearing has expired.

NOW GOOD CAUSE APPEARING THEREFOR, it is hereby ordered that the mortgage loan originator application dated September 1, 2020, and as subsequently amended, filed by James Guyoung Park, is denied.

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

Dated: April 20, 2021
Sacramento, California

By _____
MARY ANN AMITH
Deputy Commissioner
Enforcement Division

