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

11 In the Matter of:

12 THE COMMISSIONER OF FINANCIAL)
13 PROTECTION AND INNOVATION,)

NMLS NO.: 1989590
SPONSOR NO.: N/A

14 Complainant,

15 v.

SETTLEMENT AGREEMENT

16 BASSEM M. BTADDINI,

17 Respondent.
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19 This Settlement Agreement is entered into by and between the Acting Commissioner of
20 Financial Protection and Innovation (Commissioner) and Bassem M. Btaddini (Btaddini), and is
21 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 November 10, 2020, Btaddini 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 June 11, 2021, Btaddini was personally served by the Commissioner with a Notice
5 of Intention to Issue Order Denying Mortgage Loan Originator License Application, Statement of
6 Issues and accompanying documents dated June 9, 2021 (Statement of Issues).

7 D. On June 23, 2021, Btaddini 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 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions
11 contained herein, the Commissioner and Btaddini (the Parties) agree as follows:

12 II.

13 **Terms and Conditions**

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

18 2. **Application Withdrawal.** The Commissioner hereby agrees, as a resolution to this
19 matter, to consent to a withdrawal of the November 10, 2020 MLO license application filed by
20 Btaddini (application withdrawal). Btaddini hereby agrees to file an application withdrawal request
21 upon execution of this Settlement Agreement by the Parties.

22 3. **Waiver of Hearing Rights.** Btaddini acknowledges the Commissioner is ready,
23 willing, and able to proceed with the administrative enforcement action described above in Paragraph
24 C above. Btaddini hereby waives his right to any hearing, and to any reconsideration, appeal, or other
25 right to review which may be afforded pursuant to the CFL, the CRMLA, the California
26 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
27 in connection herewith. By waiving such rights, Btaddini effectively consents to this Settlement
28 Agreement becoming final.

1 4. **Consideration.** In consideration of the Commissioner’s consent to the application
2 withdrawal, Btaddini agrees that he will not apply for a further mortgage loan originator license
3 through the Department for a period of one-year from the effective date of this Settlement Agreement
4 as defined in Paragraph 21 below. Btaddini further agrees that he will respond “yes” to Nationwide
5 Mortgage Licensing System Disclosure Question Disclosure Question (H) (1) Form MU4 in any
6 future MLO license application filed with the Commissioner.

7 5. **Failure to Comply.** Btaddini 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 one-year period
9 set forth herein, such application shall be deemed automatically denied. In connection with any such
10 automatic denial, Btaddini 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 Btaddini if the Commissioner discovers that Btaddini 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 Btaddini or any
27 other 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 signed by all Parties and delivered by the Commissioner’s counsel via e-mail to Btaddini at
2 btadini@hotmail.com.

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

6 Dated: August 2, 2021

CHRISTOPHER S. SHULTZ
Acting Commissioner of Financial Protection and Innovation

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By _____
MARY ANN SMITH
Deputy Commissioner

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10 Dated: July 29, 2021

By _____
BASSEM M. BTADDINI, an individual

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