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

11
12 In the Matter of:) NMLS ID NO.: 2068278
13 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,)
14) STATEMENT OF ISSUES
15 Complainant,)
16 v.)
17 GREGORY ALLAN DAWSON, aka GREG A.)
DAWSON, as an individual)
18 Respondent.)
19)
20)

21
22 Christopher S. Schultz, the Acting Commissioner of Financial Protection and Innovation
23 (Commissioner), is informed and believes, and based on such information and belief, alleges and
24 charges Respondent Gregory Allan Dawson (Dawson) as follows:

25 **I.**

26 **Jurisdiction and Venue**

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

1 under the California Financing Law (CFL) (Fin. Code section 22000 et seq.) and the California
2 Residential Mortgage Lending Act (CRMLA) (Fin. Code section 50000 et seq.). The Commissioner is
3 authorized to administer the CFL and CRMLA and the rules and regulations promulgated in title 10
4 of the California Code of Regulations (CCR) that regulate the business and activities of CFL and
5 CRMLA-licensed lenders and servicers.

6 2. Under the provisions of Financial Code sections 22109.1, subdivision (a)(3) and
7 50141, subdivision (a)(3), the Commissioner brings this action to deny the mortgage loan originator
8 (MLO) license application submitted by Dawson because Dawson has not demonstrated such
9 financial responsibility, and general fitness as to command the confidence of the community and to
10 warrant a determination that he will operate honestly, fairly, and efficiently as an MLO.

11 **II.**

12 **Statement of Facts**

13 3. To become licensed by the Commissioner as an MLO, an individual must submit a
14 uniform application form (known as the Form MU2 or MU4) through the Nationwide Mortgage
15 Licensing System and Registry (NMLS)¹.

16 4. On May 25, 2021, Dawson filed an application for an MLO license by filing a Form
17 MU4 through NMLS. Dawson was employed and initially sponsored by Prospect Financial Group,
18 Inc., a finance lender and broker licensed by the Department (60DBO-45222), but Dawson was
19 discharged on August 17, 2021 and Prospect Financial terminated its sponsorship of Dawson.

20 5. A review of Dawson’s criminal background revealed numerous offenses including:

21 a. In October 2008, Dawson pled guilty to theft and fraud by check, series \$500.00 -
22 \$1,000.00 in District Court, Arapahoe County, Colorado. He was sentenced to two years probation
23 and assessed fines, costs, and restitution for on March 11, 2009. Details of the complaint are
24 discussed in paragraph 9, below.

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27 ¹ NMLS is a web-based platform for regulatory agencies to administer initial license applications and ongoing compliance
28 requirements. NMLS is used by participating agencies to process the applications of companies and individuals looking to
apply, renew, surrender, or amend licenses for various industries. NMLS is used by Mortgage Lenders, Mortgage Loan
Originators, Money Transmitters, Money Services including check cashing and currency exchange businesses, and more.

1 b. In 1995, he was arrested with one count charge of larceny misdemeanor under
2 \$100.00.

3 6. Dawson failed to disclose his past criminal record by answering “No” to the
4 Disclosure Question (H)(1) in the MU4 that asked:”[h]ave you ever been convicted of or pled guilty
5 or nolo contendere (“no contest”) in a domestic, foreign, or military court to committing or
6 conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related
7 business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking of property, (v)
8 bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion?”

9 7. On or about July 6, 2021, the Department’s special administrator sent Dawson a
10 notification, through NMLS, requesting he amend his response to Disclosure Question (H)(1) in the
11 MU4, including attaching any applicable court/police documents. Dawson’s response was due 90
12 days from July 6, 2021.

13 8. On or about July 7, 2021, Dawson provided a document, from the Colorado Bureau of
14 Investigation – Crime Information Center that listed the crimes he was arrested and charged with
15 dating from 1995 to 2005. The crimes outlined in paragraph 5 were included in the document
16 Dawson provided.

17 9. Dawson also submitted the complaint and sentence order filed against him by the
18 District Court, Arapahoe County, Colorado, in 2008 (Case No. 2008CR002440). In this case,
19 Dawson was charged with theft on October 13, 2008. The complaint alleged that “[b]etween and
20 including August 27, 2007 and November 24, 2007, Gregory Dawson unlawfully, feloniously, and
21 knowingly obtained or exercised control over a thing of value, namely: United States Currency, of
22 Valerie and Tyler McIntyre, US Bank, TCF Bank , and Wells Fargo Bank, with the value of one
23 thousand dollars or more but less than twenty thousand dollars, without authorization, or by threat or
24 deception ... in violation of section 18-4-401(1)(a),(2)(c), C.R.S.” In March 2009, Dawson pled
25 guilty to a felony, “Theft \$1,000-\$20,000”, in which he received a deferred sentence. The felony
26 charge was downgraded to a misdemeanor “Fraud by Check-Series-\$500-\$1,000” to which Dawson
27 pled guilty and was convicted. Dawson was ordered to pay restitution of \$2,373.62 and placed on
28 probation for two years.

1 Court, Case No. 95BD6040.

2 15. Thus, Dawson has not demonstrated financial responsibility, character, and general
3 fitness as to command the confidence of the community and to warrant a determination that he will
4 operate honestly, fairly, and efficiently as an MLO under Financial Code sections 22109.1,
5 subdivision (a)(3) and 50141, subdivision (a)(3).

6 **IV.**

7 **Commissioner’s Authority to Revoke**

8 16. Financial Code section 22109.1 provides in pertinent part:

9 (a) The commissioner shall deny an application for a mortgage loan
10 originator license unless the commissioner makes, at a minimum, the
11 following findings:

12 (3) The applicant has demonstrated such financial responsibility,
13 character, and general fitness as to command the confidence of the
14 community and to warrant a determination that the mortgage loan
15 originator will operate honestly, fairly, and efficiently within the
16 purposes of this division.

17 17. Financial Code section 50141 provides in relevant part:

18 (a) The commissioner shall deny an application for a mortgage loan
19 originator license unless the commissioner makes at a minimum the
20 following findings:

21 (3) The applicant has demonstrated such financial responsibility,
22 character, and general fitness as to command the confidence of the
23 community and to warrant a determination that the mortgage loan
24 originator will operate honestly, fairly, and efficiently within the
25 purposes of this division.

26 18. Financial Code section 50513, provides in pertinent part:

27 (a) The commissioner may do one or more of the following:

28 (2) Deny, suspend, revoke, condition, or decline to renew a mortgage
loan originator license if an applicant or licensee fails at any time to
meet the requirements of Section 50141 or 50144, or withholds

1 information or makes a material misstatement in an application for a
2 license or license renewal.

3 **VI.**

4 **Prayer**

5 The Commissioner finds that by reason of the foregoing, Dawson has not demonstrated the
6 financial responsibility, character, and general fitness required under Financial Code sections 22109,
7 subdivision (a)(3) and 50513, subdivision (a)(2).

8 WHEREFORE IT IS PRAYED that the mortgage loan originator license application filed by
9 Gregory Allan Dawson aka Greg A. Dawson be denied.

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11 Dated: October 7, 2021
12 Los Angeles, California

13 Christopher S. Schultz
14 Acting Commissioner of Financial Protection and Innovation

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16 By: _____

17 MARLOU de LUNA
18 Senior Counsel
19 Enforcement Division
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