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

11 In the Matter of:)	
)	NMLS NO.: 1971297
12 THE COMMISSIONER OF FINANCIAL)	
13 PROTECTION AND INNOVATION,)	SPONSOR FILE NO.: N/A
)	
14 Complainant,)	STATEMENT OF ISSUES
)	
15 v.)	
)	
16 BLANCA BETTY RIVERA-LETRADO,)	
)	
17 Respondent.)	
)	

19
20 The Commissioner of Financial Protection and Innovation (Commissioner) is informed and
21 believes, and based upon such information and belief, alleges and charges Respondent Blanca Betty
22 Rivera-Letrado (Rivera) as follows:

23 **I.**

24 **Introduction**

25 1. The proposed order seeks to deny the issuance of a mortgage loan originator license
26 to Rivera pursuant to Financial Code sections 22109.1 and 50141 in that Rivera has failed to
27 demonstrate such financial responsibility, character, and general fitness as to command the
28 confidence of the community and to warrant a determination that she will operate honestly, fairly,

1 and efficiently.

2 **II.**

3 **The Application**

4 2. Financial Code sections 22105.1 and 50140 provide in pertinent part:

5 (a) An applicant for a mortgage loan originator license shall apply by submitting
6 the uniform form prescribed for such purpose by the Nationwide Mortgage Licensing
7 System and Registry. The commissioner may require the submission of additional
8 information or supporting documentation to the department.

9 (c) In connection with an application for a license as a mortgage loan originator, the
10 applicant shall, at a minimum, furnish to the Nationwide Mortgage Licensing System
11 and Registry information concerning the applicant’s identity, including the following:

12 (2) Personal history and experience in a form prescribed by the Nationwide Mortgage
13 Licensing System and Registry, including the submission of authorization for the
14 Nationwide Mortgage Licensing System and Registry and the commissioner to obtain
15 both of the following:

16 (B) Information related to any administrative, civil, or criminal findings by any
17 governmental jurisdiction.

18 3. On or about April 21, 2021, Rivera filed an application for a mortgage loan originator
19 (MLO) license with the Commissioner pursuant to the California Financing Law (CFL) (Fin. Code §
20 22000 et. seq.) and the California Residential Mortgage Lending Act (CRMLA) (Fin. Code § 50000
21 et. Seq.), in particular, Financial Code sections 22105.1 and 50140. The application was submitted
22 to the Commissioner by filing Form MU4 through the Nationwide Mortgage Licensing System
23 (NMLS). Rivera signed the Form MU4 attesting that the answers were true and complete to the best
24 of his knowledge.

25 4. Form MU4 at Financial Disclosure Question (D) asks: “Do you have any unsatisfied
26 judgments or liens against you?” Rivera answered “No”.

27 5. Form MU4 at Regulatory Action Disclosure Question (K)(5) asks: “Has any State or
28 federal regulatory agency or foreign financial regulatory agency or self-regulatory organization
(SRO) ever: (5) revoked your registration or license?” Rivera answered “yes” to this question.

6. MLO applicants are required to give detailed explanations for every disclosure
answered in the affirmative and submit supporting documentation. Rivera’s detailed explanation

1 regarding her affirmative response to Form MU4 Disclosure Question(K)(5) was: “Back in August
2 2008, I was working in a Real Estate office where modifications were being handled. My broker
3 Paty Cobos whom partner with David Acosta was charging for loan modifications. I wasn't familiar
4 with loan modifications or shortsales. However, they use my information to submit offers and also
5 my name to handle the loan modifications. I stopped working with the company end of 2008.
6 However, I got my license revoked in 2012. Any questions please let me know. Thank you.”

7 7. Rivera did not submit any supporting documentation with her April 21, 2021 MU4 as
8 required regarding the affirmative response to Form MU4 Disclosure Question(K)(5).

9 8. On or about April 27, 2021, Rivera submitted and attested to an amended Form MU4,
10 which made only minor changes to her application and uploaded her United States legal status
11 documents. Rivera continued to answer “no” to Form MU4 Financial Disclosure Question (D) and
12 fail to submit all the required documentation.

13 9. A Westlaw search performed on Rivera disclosed two unsatisfied civil judgments
14 with Capital One Bank in the amounts of \$2,786.00 from July 5, 2018, and \$1,795.00 from August
15 22, 2018.

16 10. On or about May 28, 2021, Department of Financial Protection and Innovation
17 (Department) staff notified Rivera by way of license item postings in NMLS to (i) submit
18 supporting documentation regarding the affirmative response to Form MU4 Disclosure
19 Question(K)(5); (ii) disclose the unsatisfied civil judgments with Capital One Bank by (a) providing
20 a yes response to Financial Disclosure Question (D), (b) submitting an explanation, and (c)
21 uploading the applicable documents in NMLS; and (iii) obtain a sponsorship request from a
22 company licensed by the Department.

23 11. On or about June 16, 2021, Rivera submitted and attested to a further amended Form
24 MU4 in which Rivera submitted a Stipulation and Agreement regarding the Department of Real
25 Estate action (DRE action) disclosed in the event explanation for Form MU4 Disclosure Question
26 (K)(5). However, the Stipulation and Agreement submitted by Rivera was applicable only to another
27 Respondent, not Rivera. Rivera did not submit any other documentation regarding the DRE action
28

1 such as the accusation. Rivera’s June 16, 2021, amended MU4 continued to respond “no” to Form
2 MU4 Disclosure Question (d).

3 12. Records obtained from DRE regarding Rivera disclosed an Accusation dated June 27,
4 2011; a Default Order dated October 27, 2011, and a Decision revoking Rivera’s salesperson license
5 dated April 25, 2012, to become effective May 18, 2012.

6 13. To date, Rivera has never accurately responded to Financial Disclosure Question D,
7 uploaded any supporting documentation regarding the DRE action against her, or otherwise provided
8 any information regarding the unsatisfied judgment.

9 14. At no time has Rivera ever submitted information to the Commissioner that she is
10 employed by, and subject to the supervision of, a finance lender or broker and/or residential
11 mortgage lender or servicer that has obtained a license from the commissioner pursuant to the CFL
12 and/or CRMLA.

13 **III.**

14 **Administrative Action**

15 15. On or about April 25, 2012, to be effective May 18, 2012, DRE revoked Rivera’s
16 salesperson license. The revocation was the result of Rivera’s solicitation and collection from a
17 homeowner/borrower on two occasions in September and October 2008 of an advance fee of
18 \$2,000.00 for loan modification services wherein (i) no loan modification was obtained for the
19 homeowner/borrower, (ii) Rivera failed to refund any portion of the advance fee collected, and (iii)
20 thereafter refused to communicate with the homeowner/borrower. DRE records disclose that
21 Rivera’s salesperson license currently remains revoked.

22 **IV.**

23 **Unsatisfied Judgment**

24 16. A Westlaw search performed on Rivera disclosed two unsatisfied civil judgments
25 with Capital One Bank in the amounts of \$2,786.00 from July 5, 2018, and \$1,795.00 from August
26 22, 2018. To date, Rivera has not disclosed these unsatisfied judgments in her Form MU4, nor has
27 she responded to any inquiries from the Department regarding it.

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V.

Material Misstatements/Omissions

19. In the Form MU4s filed on April 21 and 27 and June 16, 2021, Rivera was required to respond “yes” to Financial Disclosure Question (D) “Do you have any unsatisfied judgments or liens against you?” as Rivera has two unsatisfied civil judgments in the respective amounts of \$1,795.00 and \$2,786.00 against her. Rivera has never accurately responded to Disclosure Question (D) nor responded to any inquiry regarding such judgments.

20. MLO applicants are required to give detailed explanations for every disclosure question answered in the affirmative and submit supporting documentation. Rivera failed to submit any of the required supporting documentation regarding her affirmative response to Form MU4 Disclosure Question (K)(5).

VI.

Licensing Requirements

21. Financial Code sections 22109.1 and 50141 provide in relevant part:

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

...

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

22. California Code of Regulations, title 10, sections 1422.6.2 and 1950.12.5.2 provide in relevant part:

(a) The Commissioner's finding required by Section 22109.1(c)/subdivision (c) of Section 50141 of the California Finance Lenders Law/California Residential Mortgage Lending Act relates to any matter, personal or professional, that may impact upon an applicant's propensity to operate honestly, fairly, and efficiently when engaging in the role of a mortgage loan originator.

...

(c) An applicant may be precluded from obtaining a mortgage loan originator license where his or her personal history includes:

1 (1) Any liens or judgments for fraud, misrepresentation, dishonest dealing,
2 and/or mishandling of trust funds, or

3 (2) Other liens, judgments, or financial or professional conditions that indicate
4 a pattern of dishonesty on the part of the applicant.

5 **VII.**

6 **Conclusion**

7 Complainant finds, by reason of the foregoing, that:

8 (1) On or about April 25, 2012, to be effective May 18, 2012, the California Department
9 of Real Estate revoked Rivera’s salesperson license as a result of Rivera’s solicitation and collection
10 from a homeowner/borrower on two occasions in September and October 2008 of an advance fee of
11 \$2,000 for loan modification services wherein (i) no loan modification was obtained for the
12 homeowner/borrower, (ii) Rivera failed to refund any portion of the advance fee collected, and (iii)
13 thereafter refused to communicate with the homeowner/borrower. Rivera’s DRE salesperson license
14 remains revoked as of the date hereof;

15 (2) Rivera has two unsatisfied civil judgments with Capital One Bank in the amounts of
16 \$2,786.00 from July 5, 2018, and \$1,795.00 from August 22, 2018;

17 (3) Rivera has made material misrepresentations and/or omitted material information
18 from her MLO applications regarding the unsatisfied civil judgments and failure to submit any
19 supporting documentation regarding the DRE action;

20 (4) As a result of the above, Rivera has failed to demonstrate the financial responsibility,
21 character and fitness required of a mortgage loan originator under the California Financing Law and
22 the California Residential Mortgage Lending Act; and

23 (6) Rivera is not employed by, nor subject to the supervision of, a finance lender or
24 broker and/or residential mortgage lender or servicer that has obtained a license from the
25 commissioner pursuant to this division.

26 THEREFORE, the Commissioner is mandated under Financial Code sections 22109.1 and
27 50141 to deny the mortgage loan originator application of Blanca Betty Rivera-Letrado.

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VIII.

Prayer

WHEREFORE IT IS PRAYED that the mortgage loan originator application filed by Blanca Betty Rivera-Letrado on April 21, 2021, be denied.

Dated: September 7, 2021
Los Angeles, California

CHRISTOPHER S. SHULTZ
Acting Commissioner of Financial Protection and Innovation

By _____
Judy L. Hartley
Senior Counsel
Enforcement Division