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

12 In the Matter of:)	NMLS NO.: 1102575
13)	
14 THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,)	
15 Complainant,)	ORDER DENYING MORTGAGE LOAN
16 v.)	ORIGINATOR LICENSE APPLICATION
17 WILLIAM RASHAD JACKSON,)	
18 Respondent.)	
19)	

20 The Commissioner of Financial Protection and Innovation (Commissioner) finds:

- 21 1. The Commissioner has jurisdiction over the licensing and regulation of persons and
 22 entities engaged in the business of making, brokering or servicing residential mortgage loans,
 23 including mortgage loan originators, under the California Financing Law (CFL) (Fin. Code,
 24 § 22000 et seq.), and California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000
 25 et seq.). The Commissioner is authorized to administer the CFL, CRMLA, and the rules and
 26 regulations promulgated in title 10 of the California Code of Regulations (CCR).
- 27 2. On January 7, 2020, William Rashad Jackson (Jackson) submitted a mortgage loan
 28 originator (MLO) license application to the Department of Financial Protection and Innovation

1 (Department) by filing a uniform application form (Form MU4) through the Nationwide Mortgage
2 Licensing System & Registry (NMLS).

3 3. To become licensed by the Commissioner as an MLO, an individual must submit a
4 Form MU4 through the NMLS, which contains a detailed set of instructions for filing license
5 applications, including answering the Disclosure Questions, and a checklist of items to be
6 completed and uploaded by the applicant, who is fully responsible for meeting all the requirements
7 of the license.

8 4. The Disclosure Questions in the Form MU4 must be answered truthfully and
9 correctly. Further clarification in the Disclosure Explanations section is required for any “Yes”
10 responses and certain “No” responses. All MLO applicants and licensees are required to promptly
11 amend or update their responses when material changes occur by submitting an amended Form
12 MU4.

13 *MLO License Application*

14 5. A review of Jackson’s Form MU4 filings dated January 7, 2020 and January 16,
15 2020, revealed that the only “Yes” response was to the Termination Disclosure Question Q(2),
16 which asks: “Have you ever voluntarily resigned, been discharged, or permitted to resign after
17 allegations were made that accused of fraud, dishonesty, theft, or the wrongful taking of property?”

18 6. Jackson vaguely explained the “Yes” response and stated, “[e]mployer discussion on
19 company policy.”

20 7. The Department subsequently discovered that Jackson has a misdemeanor conviction
21 for theft from 2019, which he failed to initially disclose, and an outstanding judgment and MLO
22 license application denials from other state agencies, which he failed to entirely disclose.

23 *2019 Misdemeanor Theft Conviction*

24 8. Jackson submitted and attested to two Form MU4 filings dated January 7, 2020 and
25 January 16, 2020, in which he answered “No” to Criminal Disclosure Question (H)(1), which asks:
26 “Have you ever been convicted of or pled guilty to . . . misdemeanor involving: (i) financial
27 services or financial services-related business, . . . (iv) theft or wrongful taking of property?”

28 9. In 2019, Jackson was charged with First Degree theft in the Superior Court of the

1 District of Columbia.

2 10. Court documents show that Jackson stole \$1,155.00 from his teller drawer while
3 employed at the BB&T Capitol Hill Bank branch in Washington, DC in July of 2019. Jackson
4 admitted to the theft to the bank personnel during a surprise audit.

5 11. In August of 2019, Jackson pleaded guilty to, and was convicted of, a misdemeanor
6 theft for wrongful taking of property in the Superior Court of the District of Columbia.

7 12. Jackson was sentenced to six months of unsupervised probation, and ordered to pay
8 restitution in the amount of \$1,155.00 to the victim.

9 13. On January 21, 2020, Jackson submitted an amended Form MU4 disclosing his theft
10 conviction. But Jackson did not change his answer to Criminal Disclosure Question (H)(1) to “Yes”
11 until January 30, 2020.

12 *Outstanding Judgment*

13 14. Jackson submitted and attested to about ten Form MU4 filings from January 7, 2020
14 and February 20, 2020, in which he answered “No” to Financial Disclosure Question (D), which
15 asks: “Do you have any unsatisfied judgments or liens against you?”

16 15. In or about February of 2017, Crouse Health Hospital, Inc. (Crouse Health) obtained
17 a judgment against Jackson in the amount of \$12,302.25.

18 16. Jackson failed to disclose the Crouse Health judgment, or change his answer to
19 Financial Disclosure Question (D) to “Yes.”

20 17. In January of 2020, Jackson uploaded to the NMLS a letter about negative credit
21 information and a page tracking an outstanding balance at Capital One. Jackson did not disclose the
22 Crouse Health judgment.

23 *MLO License Application Denials*

24 18. Regulatory Action Disclosure Question (K)(6), asks: “Has any State or federal
25 regulatory agency . . . denied or suspended your . . . application for licensure . . .?”

26 19. According to the NMLS, Jackson submitted MLO license applications in other
27 states.

28 20. On or about March 12, 2020, State of Nebraska, Department of Banking and Finance

1 (Nebraska Dept. of Banking and Finance) denied Jackson’s application for an MLO license because
2 of Jackson’s misdemeanor theft conviction and because he withheld information from his
3 application. Nebraska Dept. of Banking and Finance determined that Jackson failed to demonstrate
4 such financial responsibility, character, and general fitness as to command the confidence of the
5 community and to warrant a determination that he would operate honestly, fairly, and efficiently.

6 21. On April 24, 2020, August 5, 2020, and August 17, 2020, Jackson’s MLO license
7 applications were denied by regulatory agencies in Hawaii, Washington, and Kansas for the similar
8 reasons as the denial by the Nebraska Dept. of Banking and Finance.

9 22. Jackson has yet to submit an amended Form MU4 to the Commissioner to disclose
10 the Nebraska, Hawaii, Washington and Kansas MLO license application denials, and change his
11 answer to Question (K)(6) to a “Yes.”

12 23. The Department created license items in the NMLS requesting Jackson to update this
13 NMLS and disclose other state MLO license application denials and the judgment. Since February
14 of 2020, Jackson has not updated his MLO license application.

15 24. The Commissioner must deny an application for an MLO license if the application
16 fails to demonstrate such financial responsibility, character, and general fitness as to command the
17 confidence of the community and to warrant a determination that the mortgage loan originator will
18 operate honestly, fairly, and efficiently within the purposes of this division. (Fin. Code, § 22109.1,
19 subd. (a)(3), Fin. Code, § 22172, subd. (a)(2), Fin. Code, § 50141, subd. (a)(3), Fin. Code § 50513,
20 subd. (a)(2).)

21 25. As described in paragraphs 8-13, above, Jackson pleaded guilty to, and was
22 convicted of, misdemeanor theft by stealing \$1,155.00 while working as a teller in a bank.

23 26. The misdemeanor theft conviction involved stealing \$1,155.00 from a bank while
24 employed at the bank, which shows a deceitful and dishonest character.

25 27. Jackson also failed to truthfully answer the Criminal Disclosure Question and
26 withheld information about his misdemeanor theft conviction in his Form MU4 filings dated
27 January 7, 2020 and January 16, 2020, which further shows a dishonest character.

28 28. As described in paragraphs 14-17, above, Jackson failed to disclose his judgment in

1 the amount of \$12,302.25 in his Form MU4 filings.

2 29. As described in paragraphs 18-23, above, Jackson was required to, but never
3 amended his Form MU4 to disclose the MLO license application denials.

4 30. The theft conviction, Jackson’s failure to initially disclose the conviction and
5 disclose the judgment, and failure to amend his application to disclose the MLO license application
6 denials show that Jackson lacks the necessary character and general fitness to operate honestly and
7 truthfully, as required by Financial Code sections 22109.1, subdivision (a)(3), and 50141,
8 subdivision (a)(3).

9 31. As such, Jackson does not meet the minimum criteria for licensure under the CFL
10 and CRMLA, and the Commissioner must deny Jackson’s application for an MLO license.

11 32. The Commissioner may deny an MLO license application if the applicant withholds
12 information or makes a material misstatement in an application for a license or license renewal.
13 (Fin. Code, §§ 22172, subd. (a)(2), and 50513, subd. (a)(2).)

14 33. As described in paragraphs 8-13, above, Jackson failed to truthfully answer the
15 Criminal Disclosure Question by withholding information about his misdemeanor conviction in his
16 Form MU4 filings dated January 7, 2020 and January 16, 2020.

17 34. As described in paragraphs 14-17, above, Jackson failed to truthfully answer the
18 Financial Disclosure Question and disclose his judgment in his Form MU4 filings from January 7,
19 2020 to February 20, 2020.

20 35. As described in paragraphs 18-23, above, Jackson was required to, but failed to
21 update his NMLS and disclose the MLO license denials in his Form MU4.

22 36. As such, the Commissioner is authorized to deny Jackson’s application for an MLO
23 license.

24 37. For the reasons set forth above, pursuant to Financial Code sections 22109.1, 22172,
25 50141, and 50513, the Commissioner finds that William Rashad Jackson fails to meet the minimum
26 criteria for licensure because he was convicted of misdemeanor theft, he withheld information in his
27 Form MU4 filings, and has not demonstrated the character and general fitness required under
28 Financial Code sections 22109.1, subdivision (a)(3), and 50141, subdivision (a)(3).

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38. On February 15, 2022, the Commissioner issued a Notice of Intention to deny Jackson’s MLO license application, Statement of Issues, and accompanying documents (Denial Notice) based on the above findings.

39. On February 23, 2022 and February 27, 2022, Jackson was served with the Denial Notice. Jackson 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 application for a mortgage loan originator license of William Rashad Jackson is denied. This order is effective as of the date thereof.

Dated: March 17, 2022
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division