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BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

OF THE STATE OF CALIFORNIA

In the Matter of: THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION, Complainant, v. BRIAN WILLIAM GOW, Respondent.	NMLS NO.: 1501652 ACCUSATION

Clothilde V. Hewlett, the Commissioner of Financial Protection and Innovation (Commissioner), is informed and believes, and based on such information and belief, alleges and charges Respondent Brian William Gow (Gow) as follows:

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State of California – Department of Financial Protection and Innovation

I.

Jurisdiction

1. The Commissioner has jurisdiction over the licensing and regulation of persons engaged in the business of making or servicing residential mortgage loans, including mortgage loan originators (MLO or MLOs), under the California Financing Law (CFL) (Fin. Code, § 22000 et seq.) and the California Residential Mortgage Lending Act (CRMLA) (Fin. Code section 50000 et seq.).

2. Gow is an MLO licensed by the Commissioner (license number CA-DBO1501652) on August 4, 2016. Gow's license status is presently "Active."

3. The Commissioner brings this action to revoke Gow's MLO's license under Financial Code sections 22109.1 and 50141 because Gow has not demonstrated such financial responsibility, character, and general fitness as to command the confidence of the community and to warrant a determination that he will operate honestly, fairly, and efficiently as a mortgage loan originator.

II.

Statement of Facts

4. On or about November 18, 2020, the State Regulatory Registry LLC (SRR)[1] notified Gow, in writing, that it has initiated an investigation regarding a report that Gow violated the Nationwide Multistate Licensing System and Registry (NMLS)[2] Rules of Conduct (ROC) for education students. The letter stated that an Investigative Review Committee (IRC) has conducted an investigation into suspicious activities associated with the authentication protocols embedded within the NMLS approved online courses. The activity suggests online continuing education courses may have been completed by persons other than Gow or that Gow completed courses on behalf of another person. This activity would be a violation of the ROC for education students to which Gow agreed to during his education course. The letter also included a description of Gow's reported misconduct, the SRR's investigation into the incident, and Gow's rights during the investigation.

[1] SRR is a nonprofit subsidiary of the Conference of State Bank Supervisors that operates the NMLS on behalf of state financial services regulatory agencies.

[2] NMLS is a web-based platform for regulatory agencies to administer initial license applications and ongoing compliance 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.

5. The IRC made a preliminary determination that Gow violated the NMLS ROC. As a result, the IRC notified all relevant state mortgage regulatory agencies of Gow's violations and the continuing education courses taken by Gow in 2020 were retracted from his NMLS record.

6. On February 10, 2021, SRR notified Gow, in writing, that it completed its investigation into Gow's reported violations and determined that Gow violated the following ROC for education students:

- ROC 4: I will not divulge my login ID or password or other login credential(s) to another individual for any online course.
- ROC 5: I will not seek or attempt to seek outside assistance to complete the course.
- ROC 6: I will not give or attempt to give assistance to any person who is registered to take an NMLS approved pre-licensure or continuing education course.
- ROC 9: I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure.

7. Gow had the right to appeal the IRC's determination that he violated the NMLS ROC, but he did not.

8. In September 2021, Gow agreed to the entry of a consent order issued by the Non-Depository Entities Division of the North Carolina Office of the Commissioner of Banks based on the SRR's findings that Gow violated the ROC for education students, numbers 4, 5, 6, and 9, as noted in paragraph 6 above.

III.

Financial Responsibility, Character, and General Fitness

9. Pursuant to Financial Code section 22109.1, subdivision (a)(3), the Commissioner shall deny an application for an MLO license unless the Commissioner finds that 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 MLO will operate honestly, fairly, and efficiently.

10. Pursuant to Financial Code section 50513, subdivision (a)(2), the Commissioner may deny, revoke, or decline to renew an MLO license if a licensee fails at any time to meet the requirements of section 50141 or 50144. Under section 50141, a licensed MLO must demonstrate such financial responsibility, character, and general fitness as to command the confidence of the community and to warrant a determination that the MLO will operate honestly, fairly, and efficiently. (Fin. Code section 50141(a)(3).)

11. As described in paragraphs 4 through 8 above, Gow violated the ROC for education students, numbers 4, 5, 6, and 9.

12. Thus, Gow has not demonstrated such financial responsibility, character, and general fitness as to command the confidence of the community and to warrant a determination that he will operate honestly, fairly, and efficiently as an MLO.

IV.

Commissioner's Authority to Deny, Revoke, or Renew

13. Financial Code section 22109.1, provides in pertinent 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[.]

14. Financial Code section 50513, provides in pertinent part:

> (a) The commissioner may do one or more of the following:
> …
> (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 information or makes a material misstatement in an application for a license or license renewal.

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15. Financial Code section 50141(a) provides 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.

V.

Prayer

The Commissioner finds that by reason of the foregoing, Gow has not demonstrated the financial responsibility, character, and general fitness required under Financial Code section 22109.1, subdivision (a)(3) of the CFL and section 50141 of the Financial Code under the CRMLA. Accordingly, the Commissioner has grounds for revoking Gow's mortgage loan originator license.

WHERFORE, IT IS PRAYED that Brian William Gow's mortgage loan originator license be revoked.

Dated: May 18, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By _____
MARLOU de LUNA
Senior Counsel
Enforcement Division