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10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA
12

13 In the Matter of:) NMLS NO.: 1470760
14)
15 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,)
16) ORDER DENYING RENEWAL OF
17) MORTGAGE LOAN ORIGINATOR LICENSE
Complainant,)
18 v.)
19)
20 YASIN AHMAD AFZAL,)
21)
Respondent.)
22)
23)

24 The Commissioner of Financial Protection and Innovation (Commissioner) finds that:

25
26 1. On or around February 12, 2018, Yasin Ahmad Afzal (Afzal) was approved by the
27 Commissioner to originate loans in California (license number CA-DBO1470760). Afzal’s mortgage
28 loan originator (MLO) license status is presently “Terminated – Failed to Renew.”

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

11 3. The IRC made a preliminary determination that Afzal violated the NMLS ROC. As a
12 result, the IRC notified all relevant state mortgage regulatory agencies of Afzal’s violations. It also
13 retracted a number of continuing education courses from Afzal’s record in NMLS.

14 4. On February 10, 2021, SRR notified Afzal, in writing, that it completed its
15 investigation into Afzal’s reported violations and determined that Afzal violated the following NMLS
16 ROC:

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

25 5. Afzal had the right to appeal the IRC’s determination that he violated the NMLS ROC,
26 but he did not.

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28 ///

1 6. On March 10, 2021, Afzal submitted an updated MU4, but he failed to disclose the
2 SRR’s investigation and its determination that he violated the NMLS ROC discussed in paragraphs 2
3 through 5, above. Afzal did not respond “Yes” to Regulatory Action (K)(2) which ask:

4 (K) Has any State or federal regulatory agency or foreign financial regulatory
5 authority or self-regulatory organization (SRO) ever:

6 (2)) found you to have been involved in a violation of a financial services-related
7 business regulation(s) or statute(s)?

8 7. 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:

11 ...

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[.]

15 8. Financial Code section 50513, provides in pertinent part:

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

17 ...

18 (2) Deny, suspend, revoke, condition, or decline to renew a mortgage
19 loan originator license if an applicant or licensee fails at any time to
20 meet the requirements of Section 50141 or 50144, or withholds
21 information or makes a material misstatement in an application for a
22 license or license renewal.

21 9. Financial Code section 50141(a) provides in relevant part:

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

24 ...

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

28 10. Financial Code section 50144 provides in relevant part:

1 (a) A mortgage loan originator shall comply with the requirements of
2 this section on or before December 31 of every year.

3 (b) The minimum standards for a license renewal for mortgage loan
4 originators shall include the following:

5 (1) The mortgage loan originator continues to meet the minimum
6 standards for license issuance under Section 50141.

7 11. The Commissioner finds that Afzal does not meet at least one of the minimum
8 requirements for issuance of an MLO license as set forth in Financial Code sections 22109.1 and
9 50141 in light of the SRR's determination that Afzal violated a number of NMLS ROC, as discussed
10 in paragraphs 2 through 5.

11 12. On February 23, 2022, the Commissioner issued a notice of intention to issue an order
12 denying the renewal of Afzal's MLO license, accusation, and accompanying documents (Notice of
13 Intention) based on the above findings. On or around February 24, 2022, the Commissioner served
14 Afzal with the Notice of Intention at the latest address on file. Afzal did not request a hearing and the
15 time to request a hearing has expired.

16 13. On May 6, 2022, the Commissioner issued an amended notice of intention to issue an
17 order denying the renewal of Afzal's MLO license, amended accusation, and accompanying
18 documents (Amended Notice of Intention) based on the above findings. On or around May 10, 2022,
19 the Commissioner served Afzal with the Amended Notice of Intention at the latest address on file.
20 Afzal did not request a hearing and the time to request a hearing has expired.

21 NOW GOOD CAUSE APPEARING THEREFOR, it is hereby ordered that the renewal of
22 Yasin Ahmad Afzal's mortgage loan originator license is denied. This order is effective as of the date
23 hereof.

24 Dated: June 10, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

25
26 By: _____
27 MARY ANN SMITH
28 Deputy Commissioner