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

12 In the Matter of:) NMLS ID: 1182961
13)
14 THE COMMISSIONER OF FINANCIAL) ORDER DENYING MORTGAGE LOAN
15 PROTECTION AND INNOVATION,) ORIGINATOR LICENSE APPLICATION
16)
17 Complainant,) (California Financial Code section 50513)
18 v.)
19)
20 TRAVIS JAMES RUSSELL,)
21)
22 Respondent.)
23)
24)
25)
26)
27)
28)

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

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21 1. Travis James Russell (Russell) was previously licensed as a mortgage loan originator
22 by the Commissioner from September 9, 2014, to January 1, 2017. Russell did not seek to renew his
23 MLO license at any time during September 9, 2014, to January 1, 2017 when his MLO license was
24 active. As a result, Russell’s license was terminated for failure to renew as of January 1, 2017.

25 2. On September 15, 2020, Russell reapplied for an MLO license and on February 4,
26 2021, Russell’s application was classified as abandoned by the Commissioner because Russell failed
27 to respond to license item deficiencies noted in his application.

28 3. On July 21, 2021, Russell applied for an MLO license with the Commissioner by
submitting a Form MU4 through the NLMS (Application).

1 4. As a prerequisite to obtaining an MLO license, Russell was required to have a
2 sponsoring company that is a CFL or CRMLA-licensed lender, servicer, or broker. Russell has no
3 sponsorship with a CFL or CRMLA licensee.

4 5. Pursuant to California Code of Regulations, title10, section 1409.1, MLO licensees
5 must promptly report any change in the information contained in the licensee’s MU2 or MU4 (other
6 than financial information contained therein) by filing an amendment to their application setting forth
7 the changed information.

8 6. The Commissioner’s review of Russell’s Application and background check disclosed
9 that on or about March 2, 2010, Russel pled guilty and was convicted of one count of felony assault by
10 means of force likely to cause great bodily injury, in violation of Penal Code section 245, subdivision
11 (a)(1), at the Riverside Superior Court, Case No. INF065820 (2010 felony conviction).

12 7. The Commissioner further discovered that on or about September 3, 2015, Russell pled
13 guilty and was convicted of one count of felony assault by means of force likely to cause great bodily
14 injury, in violation of Penal Code section 245, subdivision (a)(1), at the Riverside Superior Court,
15 Case No. INF1501811 (2015 felony conviction).

16 8. The Commissioner did not receive any amendments or reports from Russell disclosing
17 the 2015 felony conviction as required under California Code of Regulations, title10, section 1409.1.

18 9. In his Application, Johnson responded “no” to a Criminal Disclosure Question (F)(1)
19 which asks in pertinent part:

20 F (1) Have you ever been convicted of or pled guilty or nolo
21 contendere (“no contest”) in a domestic, foreign, or military court
 to any felony?

22 10. On August 12, 2021, a license item was placed on Russell’s Application directing him
23 to provide the appropriate response to Criminal Disclosure Question (F)(1), along with an explanation
24 and supporting court documents.

25 11. On September 22, 2021, Russell amended his application by changing his response to
26 Criminal Disclosure Question F (1) from “no” to “yes.” Russell provided an explanation to his
27 response in the “Event Explanation Detail.”
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1 12. On September 28, 2021, Russell further amended his Application and uploaded court
2 documents for case number INF1501811 relating to the 2015 felony conviction.

3 13. California Financing Law section 22109.1 states that the Commissioner “shall deny” an
4 application for an MLO license unless she makes, at a minimum, specified findings, including that the
5 applicant has not been convicted of, or pled guilty or no contest to, a felony during the seven-year
6 period preceding the date of the application, or at any time preceding the date of the application, if
7 such felony involved an act of fraud, dishonesty, a breach of trust, or money laundering. (Fin. Code,
8 §§ 22109.1, subd. (a)(2) & 50141, subd. (a)(2).).

9 14. California Residential Mortgage Lending Act (CRMLA) section 50141 provides that
10 the Commissioner “may deny” an application for an MLO license if the applicant withholds
11 information or makes a material misstatement in the application. (Fin. Code, §§ 22172, subd. (a)(2)
12 & 50513, subd. (a)(2).).

13 15. Pursuant to California Code of Regulations, title 10, section 1409.1, the Commissioner
14 “shall deny” an application for an MLO license unless she makes, at a minimum, specified findings,
15 including that the applicant is employed by and subject to the supervision of a lender, broker, or
16 servicer licensed under the CFL or CRMLA. (Fin. Code, §§ 22109.1, subd. (a)(6) & 50141, subd.
17 (a)(6).).

18 16. The Commissioner determined that Russell was convicted of a felony in a domestic
19 court during the seven-year period preceding the date of his Application for licensing and registration
20 within the meaning of Financial Code sections 22109.1, subdivision (a)(2), and 50141, subdivision
21 (a)(2).

22 17. The Commissioner further determined that Russell withheld information and made
23 material misstatements in his Application within the meaning of Financial Code sections 22172,
24 subdivision (a)(2) and section 50513, subdivision (a)(2) by failing to disclose the 2010 and 2015
25 convictions and as such, has not demonstrated the financial responsibility, character, and general
26 fitness required under Financial Code sections 22109.1, subdivision (a)(3), and 50141, subdivision
27 (a)(3).

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18. Additionally, the Commissioner found that Russell did not submit any documentation demonstrating he has a CFL-licensed lender or broker or a CRMLA-licensed lender or servicer sponsoring employer as required under Financial Code sections 22109.1, subdivision (a)(6) and 50141, subdivision (a)(6).

19. Based on the above findings, on June 29, 2022, the Commissioner issued a Notice of Intention to Deny Application for Mortgage Loan Originator License, Statement of Issues, and accompanying documents to Russell (Notice of Intention to Deny).

20. The Notice of Intention to Deny was personally served on Russell on August 9, 2022, and Russell had up to, and including, August 24, 2022 to request a hearing however, the Commissioner did not receive a request for hearing from Russell.

NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the application for a mortgage loan originator license Travis James Russell filed on July 21, 2021, is denied. This order is effective as of the date hereof.

Dated: October 6, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division