

1 MARY ANN SMITH  
Deputy Commissioner  
2 Department of Financial Protection and Innovation  
2101 Arena Boulevard  
3 Sacramento, CA 95834  
Attorneys for Complainant  
4

5 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
6 OF THE STATE OF CALIFORNIA

7 In the Matter of the: ) CRMLA LICENSE NO.: 41DBO-95564  
)  
8 THE COMMISSIONER OF FINANCIAL )  
9 PROTECTION AND INNOVATION, )  
)  
10 Complainant, )  
) ACCUSATION  
11 v. )  
)  
12 FIRST GUARANTY MORTGAGE )  
13 CORPORATION, )  
)  
14 Respondent. )  
15 )

16  
17 The Commissioner of Financial Protection and Innovation (Commissioner) is informed and  
18 believes, and based upon such information and belief, alleges and charges Respondent First Guaranty  
19 Mortgage Corporation (Respondent) as follows:

20 **I.**

21 **Introduction**

22 1. The Commissioner is authorized to administer and enforce the provisions of the  
23 California Residential Mortgage Lending Act (Fin. Code, § 50000 et seq.) (CRMLA) and the rules  
24 and regulations promulgated thereunder.

25 2. Respondent is a residential mortgage lender and servicer licensed by the Commissioner  
26 pursuant to the CRMLA. Respondent’s principal place of business is 13901 Midway Road, Ste. 102-  
27 334, Dallas, TX 75244.

28 3. Pursuant to Financial Code sections 50307 and 50401, all licensees under the CRMLA

1 are required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans  
2 Serviced (“Annual Report”) on or before March 1 of each year for the preceding 12 month period  
3 ending December 31.

4 4. On or about January 2, 2023, an electronic notice was sent to Respondent’s designated  
5 email address informing them that their Annual Report was due on March 1, 2023 and that failure to  
6 file their Annual Report by the deadline could result in suspension or revocation of their license.

7 5. On or about January 31, 2023, a second electronic notice was sent to Respondent’s  
8 designated email address reminding Respondent that their Annual Report was due on March 1, 2023  
9 and that failure to file their Annual Report by the deadline could result in suspension or revocation of  
10 their license.

11 6. On or about February 22, 2023, a third electronic notice was sent to Respondent’s  
12 designated email address and also submitted to Respondent through the Nationwide Mortgage  
13 Licensing System & Registry (NMLS) reminding them that their Annual Report was due on March 1,  
14 2023 and that failure to file their Annual Report by the deadline could result in suspension or  
15 revocation of their license.

16 7. On or about March 1, 2023, a final electronic notice was sent to Respondent’s  
17 designated email address and through the NMLS informing Respondent that the Commissioner has not  
18 received their Annual Report and that the Annual Report is due on March 1, 2023 and that the failure  
19 to file their Annual Report by the deadline could result in suspension or revocation of their license.

20 8. Respondent has yet to file its Annual Report as required under Financial Code sections  
21 50307 and 50401.

22 **II.**

23 **Law**

24 10. Financial Code section 50307 provides, in pertinent part:

25 (a) Each residential mortgage lender or servicer licensee shall file  
26 a report with the commissioner annually, on or before the first  
27 day of March, giving the relevant information that the  
28 commissioner reasonably requires to make the calculation  
required by subdivision (a) of Section 50401. The report shall be  
made under oath and in the form prescribed by the  
commissioner.

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11. Financial Code section 50327 provides, in pertinent part:

(a) The commissioner may, after notice and a reasonable opportunity to be heard, deny, decline to renew, suspend, or revoke any license if the commissioner finds that:

(1) The licensee has violated any provision of this division or any rule or order of the commissioner thereunder.

(2) Any fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

12. Financial Code section 50401 provides, in pertinent part:

(a) ... In order for the commissioner to calculate the assessment under this section, each licensee shall file an annual report for the calendar year just ended containing the information required by the commissioner on or before March 1 of the year in which the assessment is to be calculated.

**III.**

**Conclusion**

The Commissioner finds that, by reason of the foregoing, Respondent has violated Financial Code sections 50307 and 50401, and based thereon, grounds exist to revoke Respondent’s residential mortgage lender and servicer license.

WHEREFORE, IT IS PRAYED that First Guaranty Mortgage Corporation’s residential mortgage lender and servicer license be revoked.

Dated: June 21, 2023  
Sacramento, California

Clothilde V. Hewlett  
Commissioner of Financial Protection and Innovation



By \_\_\_\_\_  
MEIRCEE BOULAHROUD  
Special Administrator  
California Residential Mortgage Lending Act