

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN M. ROONEY  
Assistant Chief Counsel  
3 MARLOU de LUNA (State Bar No. 162259)  
Senior Counsel  
4 Department of Business Oversight  
320 West 4th Street, Suite 750  
5 Los Angeles, California 90013-2344  
Telephone: (213) 576-7606  
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA  
11

12 In the Matter of: ) NMLS ID: 271447  
13 THE COMMISSIONER OF BUSINESS )  
14 OVERSIGHT, ) SETTLEMENT AGREEMENT  
15 Complainant, )  
16 v. )  
17 ROBERT ANTHONY OLIVAS, SR. )  
18 Respondent. )  
19 )  
20 )

21 This Settlement Agreement (“Agreement”) is entered into between Respondent Robert  
22 Anthony Olivas, Sr. (“Respondent”) and the Commissioner of Business Oversight, and its officers,  
23 employees, agents, representatives, successors, and attorneys (collectively, the “Commissioner”) and  
24 is made with respect to the following facts:

25 **I.**

26 **RECITALS**

27 A. The Department of Business Oversight (“Department”), through the Commissioner,  
28 has jurisdiction over the licensing and regulation of persons and entities engaged in the business of

1 lending and/or servicing pursuant to the California Residential Mortgage Lending Act (“CRMLA”)  
2 (Financial Code, § 50000 et seq.), and lending and/or brokering pursuant to the California Finance  
3 Lenders Law (“CFLL”) (Financial Code, § 22000 et seq.), including mortgage loan originators.

4 B. Respondent filed an application for a mortgage loan originator license with the  
5 Commissioner under the CRMLA, in particular Financial Code section 50140, on or about  
6 September 30, 2014. Respondent submitted his application to the Commissioner by filing a Form  
7 MU4 through the Nationwide Mortgage Licensing System (“NMLS”).

8 C. Form MU4 at Question (A)(1) asked: “Have you filed a personal bankruptcy petition  
9 or been the subject of an involuntary bankruptcy petition within the past 10 years?” Respondent  
10 answered “Yes.”

11 D. Form MU4 at Question (D) asked: “Do you have any unsatisfied judgments or liens  
12 against you?” Respondent answered “Yes.”

13 E. Form MU4 at Question (H)(1) asked: “Have you ever been convicted of or pled guilty  
14 or nolo contendere (“no contest”) in a domestic, foreign, or military court to committing or  
15 conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related  
16 business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking of property, (v)  
17 bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion?” Respondent answered  
18 “Yes.”

19 F. Form MU4 at Question (K)(4) asked: “Has any State or federal regulatory agency or  
20 foreign financial regulatory authority or self-regulatory organization (SRO) ever: entered an order  
21 against you in connection with a financial services-related activity?” Respondent answered “Yes.”

22 G. Form MU4 at Question (K)(8) asked: “Has any State or federal regulatory agency or  
23 foreign financial regulatory authority or self-regulatory organization (SRO) ever: issued a final order  
24 against you based on violations of any law or regulations that prohibit fraudulent, manipulative, or  
25 deceptive conduct?” Respondent answered “Yes.”

26 H. Form MU4 at Question (M) asked: “Based upon activities that occurred while you  
27 exercised control over an organization, has any State or federal regulatory agency or foreign  
28

1 financial regulatory authority or self-regulatory organization (SRO) ever taken any of the actions  
2 listed in (K) through (L) above against any organization?” Respondent answered “Yes.”

3 I. On or about October 10, 2005, Respondent filed a petition for bankruptcy under  
4 Chapter 7 in the United States Bankruptcy Court for the Central District, Case No. 6:05-bk-23003-  
5 DN. The court granted a discharge of Respondent’s debts on January 30, 2006.

6 J. On or about April 29, 2008, the Commissioner issued a Desist and Refrain Order  
7 (“Order”) against Respondent, among others, for violations of Corporations Code section 25401.  
8 The Order prohibited Respondent from offering and selling securities by means of written and oral  
9 communications which included untrue statements of material fact and which omitted to state  
10 material facts necessary in order to make the statements made, in light of the circumstances under  
11 which they were made, not misleading, in violation of section 25401 of the Corporations Code.

12 K. On or about July 2008, Respondent pled guilty to a misdemeanor for violating Penal  
13 Code section 148.5, subdivision (a), for knowingly and falsely reporting a crime to the Riverside  
14 County Police Department (Superior Court of California, Riverside County, Case No. RIM512564).  
15 Respondent was sentenced to 36 months of summary probation and fined \$376.00.

16 L. Financial Code section 50141 provides in relevant part:

17 (a) The commissioner shall deny an application for a mortgage loan  
18 originator license unless the commissioner makes at a minimum the  
19 following findings:

20  
21 (3) The applicant has demonstrated such financial responsibility,  
22 character, and general fitness as to command the confidence of the  
23 community and to warrant a determination that the mortgage loan  
24 originator will operate honestly, fairly, and efficiently within the  
25 purposes of this division.

26 M. Based on the foregoing, the Commissioner determined to deny Respondent’s  
27 application for a mortgage loan originator license pursuant to Financial Code section 50141 because  
28 Respondent has not demonstrated such financial responsibility, character, and general fitness as to  
command the confidence of the community and to warrant a determination the he would operate  
honestly, fairly, and efficiently within the purposes of this division.

1 N. It is the intention and desire of the parties to resolve this matter without the necessity  
2 of a hearing and/or other litigation.

3 O. The Commissioner finds that this action is appropriate in the public interest and  
4 consistent with the purposes fairly intended by the policy and provisions of this law.

5 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set  
6 forth herein, the parties agree as follows:

7 **II.**

8 **TERMS AND CONDITIONS**

9 1. This Agreement is entered into for the purpose of judicial economy and expediency,  
10 and to avoid the expense of a hearing, and possible further court proceedings.

11 2. Respondent agrees to accept service of the Order issued by the Commissioner on  
12 April 29, 2008. Respondent, by entering into this Agreement, does not admit or deny any of the  
13 allegations set forth in the Order. A true and correct copy of the Order is attached hereto and  
14 incorporated herein by reference as Exhibit 1.

15 3. The parties hereby agree that the Order will be deemed the Final Order effective  
16 upon the execution of this Agreement. A true and correct copy of the Order is attached hereto and  
17 incorporated herein by reference as Exhibit 1.

18 4. The Commissioner hereby agrees to issue an MLO license to Respondent following  
19 full execution of this Agreement.

20 5. Respondent agrees that for the 60 months immediately following full execution of  
21 this Agreement, if the Department makes a finding that Respondent has violated or is violating any  
22 provision of the CRMLA or CFLL, the Commissioner may, in her discretion automatically revoke  
23 Respondent's MLO license. Respondent waives all notice and hearing rights to contest an automatic  
24 revocation initiated pursuant to this provision, which may be afforded under the CRMLA or any  
25 rule, regulation or law under the jurisdiction of the Commissioner, the California Administrative  
26 Procedure Act, the California Code of Civil Procedure, or any other provision of law in connection  
27 with these matters.

28 6. Respondent agrees to take at least 16 hours of continuing education offered by an

1 NMLS approved vendor annually for the next 60 months and agrees to submit proof of compliance  
2 to:

3 Marlou de Luna  
4 Department of Business Oversight  
5 320 West Fourth Street, Suite 750  
6 Los Angeles, California 90013

7 The first report is due on December 31, 2015. The second report is due on December 31, 2016.  
8 The third report is due on December 31, 2017. The fourth report is due on December 31, 2018 and  
9 the final report is due on December 31, 2019. Failure to fulfill the minimum hours of continuing  
10 education required under this Agreement or failure to submit any of the required compliance reports  
11 by their specified dates shall be cause for the Commissioner to automatically revoke Respondent's  
12 MLO license. Respondent waives any notice and hearing rights to contest an automatic revocation  
13 initiated pursuant to this provision which may be afforded under the CRMLA, the CFLL, the  
14 California Administrative Procedure Act, the California Code of Civil Procedure or any other  
15 provision of law in connection with these matters.

16 7. The parties hereby acknowledge and agree that this Agreement is intended to  
17 constitute a full, final and complete resolution of Respondent's application for an MLO license and  
18 that no further proceedings or actions will be brought by the Commissioner in connection with the  
19 Respondent's MLO application either under the CRMLA or CFLL or any other provision of law,  
20 excepting therefrom any proceeding or action if such proceeding or action is based upon facts not  
21 presently known to the Commissioner or which were knowingly concealed from the Commissioner  
22 by Respondent.

23 8. The parties hereby acknowledge and agree that nothing contained in this Agreement  
24 shall operate to limit the Commissioner's ability to assist any other agency, (city, county, state or  
25 federal) with any prosecution, administrative, civil or criminal, brought by any such agency against  
26 Respondent based upon any of the activities alleged in this matter or otherwise.

27 9. Each of the parties represents, warrants, and agrees that it has had an opportunity to  
28 seek independent advice from its attorney(s) and/or representatives with respect to the advisability  
of executing this Agreement.

1           10. Each of the parties represents, warrants, and agrees that in executing this Agreement  
2 it has relied solely on the statements set forth herein and has had the opportunity to seek the legal  
3 advice of its own counsel. Each of the parties further represents, warrants, and agrees that in  
4 executing this Agreement it has placed no reliance on any statement, representation, or promise of  
5 any other party, or any other person or entity not expressly set forth herein, or upon the failure of  
6 any party or any other person or entity to make any statement, representation or disclosure of  
7 anything whatsoever. The parties have included this clause: (1) to preclude any claim that any party  
8 was in any way fraudulently induced to execute this Agreement; and (2) to preclude the  
9 introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this  
10 Agreement.

11           11. This Agreement is the final written expression and the complete and exclusive  
12 statement of all the agreements, conditions, promises, representations, and covenants between the  
13 parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous  
14 agreements, negotiations, representations, understandings, and discussions between and among the  
15 parties, their respective representatives, and any other person or entity, with respect to the subject  
16 matter covered hereby.

17           12. In that the parties have had the opportunity to draft, review and edit the language of  
18 this Agreement, no presumption for or against any party arising out of drafting all or any part of this  
19 Agreement will be applied in any action relating to, connected, to, or involving this Agreement.  
20 Accordingly, the parties waive the benefit of Civil Code section 1654 and any successor or  
21 amended statute, providing that in cases of uncertainty, language of a contract should be interpreted  
22 most strongly against the party who caused the uncertainty to exist.

23           13. Respondent enters into this Agreement voluntarily and without coercion and  
24 acknowledges that no promises, threats or assurances have been made by the Commissioner or any  
25 officer, or agent thereof, about this Agreement.

26           14. The waiver of any provision of this Agreement shall not operate to waive any other  
27 provision set forth herein, and any waiver, amendment and/or change to the terms of this  
28 Agreement must be in writing and signed by the parties.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

15. The parties agree that this Agreement may be executed in one or more separate counterparts, each of which when so executed, shall be deemed an original. A fax signature shall be deemed the same as an original signature. Such counterparts shall together constitute and be one and the same instrument.

16. This Agreement shall be construed and enforced in accordance with and governed by California law.

17. This Agreement shall not become effective until signed and delivered by all parties.

18. Each signator hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Agreement.

19. This Agreement is binding on all heirs, assigns and/or successors in interest.

20. This Agreement may be revoked and the Commissioner may pursue any and all remedies available under law against Respondent if the Commissioner later discovers that Respondent knowingly or willfully withheld information used and relied upon in this Agreement.

DATED: 9/21/15

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner

DATED: 9/18/15

By \_\_\_\_\_  
ROBERT ANTHONY OLIVAS, SR.  
An individual