

1 MARY ANN SMITH  
Deputy Commissioner  
2 SEAN M. ROONEY  
Assistant Chief Counsel  
3 UCHE L. ENENWALI (State Bar No. 235832)  
Senior Counsel  
4 Department of Business Oversight  
320 West 4<sup>th</sup> Street, Suite 750  
5 Los Angeles, California 90013  
Telephone: (213) 576-7586  
6 Facsimile: (213) 576-7181

7 Attorneys for Complainant

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

11 In the Matter of:	)	CFL APPLICATION NO.: 1099149
	)	
12 THE COMMISSIONER OF BUSINESS	)	STATEMENT OF ISSUES IN SUPPORT OF
13 OVERSIGHT,	)	NOTICE OF INTENTION TO ISSUE ORDER
	)	DENYING MORTGAGE LOAN
14 Complainant,	)	ORIGINATOR LICENSE APPLICATION
15 v.	)	
	)	(FINANCIAL CODE SECTION 22109.1)
16 MARY AILEEN BAUTISTA LAPUZ,	)	
	)	
17 Respondent.	)	
	)	

18  
19 The Complainant, the Commissioner of Business Oversight (Commissioner), alleges and  
20 charges Respondent Mary Aileen Bautista Lapuz (Lapuz) as follows:

21 **I.**

22 **Introduction**

23 1. The Commissioner licenses and regulates mortgage loan originators, finance lenders,  
24 and brokers under the California Financing Law (Fin. Code, § 22000 et seq.) (CFL).

25 2. To become licensed by the Commissioner as a mortgage loan originator (MLO), an  
26 individual must submit a uniform application form (known as the MU2 or MU4 form) through the  
27 Nationwide Mortgage Licensing System & Registry (NMLS). The NMLS contains a set of detailed  
28

1 instructions for filing license applications, including a checklist of items to be completed by the  
2 applicant, who is fully responsible for all the requirements of the license.

3 3. On July 20, 2018, Lapuz applied for an MLO license with the Commissioner (file  
4 number 1099149 and hereinafter, Application) by submitting a Form MU4 through the NLMS.

5 4. The Commissioner intends to issue an Order denying Lapuz’s Application pursuant  
6 to Financial Code section 22109.1, on the basis that Lapuz was convicted of a felony, grand theft of  
7 personal property exceeding \$400 on October 25, 2002 in Santa Clara Superior Court, and has failed  
8 to demonstrate such financial responsibility, character, and general fitness as to command the  
9 confidence of the community and to warrant a determination that the mortgage loan originator will  
10 operate honestly, fairly, and efficiently within the purposes of the CFL.

11 **II.**

12 **Statement of Facts**

13 5. On June 25, 2002, the Santa Clara County District Attorney’s Office filed a felony  
14 complaint in the Santa Clara Superior Court, (criminal complaint) in the case, *The People v. Mary*  
15 *Aileen Lapuz*, DA No: 020616607, charging Lapuz with one count of grand theft of personal  
16 property of a value exceeding \$400.00, in violation of Penal Code section 484-487(a). The criminal  
17 complaint alleged that Lapuz unlawfully took “personal property, money, of a value exceeding  
18 \$400.00, the property of Network Associates,” and “in the commission and attempted commission of  
19 the offenses(s)...took, damaged and destroyed property of a value exceeding \$150,000.00, within the  
20 meaning of Penal Code section 12022.6(a)(2).”

21 6. According to an Abstract of Judgment dated December 24, 2002, on or about October  
22 25, 2002, Lapuz entered a plea of “no contest” to the charge and was convicted of grand theft of  
23 personal property over \$400.00. Lapuz was also sentenced to a term of three years in state prison  
24 without probation.

25 **III.**

26 **Lapuz’s MLO Application**

27 7. On July 20, 2018, Lapuz submitted her Application for an MLO license. In her  
28 Application, Lapuz answered “yes” to a Criminal Disclosure Question F (1). By letter dated July 20,

1 2018, Lapuz attempted to explain the circumstances surrounding the felony Complaint filed against  
2 her, stating in pertinent part:

3 I am writing this letter to explain my situation. In 2001 (I was 26  
4 years old), I pleaded “no contest” to a grand theft charge. I was  
5 working for a company who provided me with a company credit  
6 card that was intended only for business related expenses. I abused  
the privilege of having the credit card and used it for personal use  
and it got out of hand....

7 8. The Commissioner finds that based on Lapuz’s plea of no contest and conviction of  
8 grand theft in October 2002, and the facts upon which the felony criminal complaint was filed,  
9 Lapuz has failed to demonstrate such financial responsibility, character, and general fitness as to  
10 command the confidence of the community and to warrant a determination that the mortgage loan  
11 originator will operate honestly, fairly, and efficiently within the purposes of the CFL, a requirement  
12 for licensure under Financial Code section 22109.1, subdivision (a)(3).

13 **IV.**

14 **Grounds to Deny Lapuz’s Application**

15 9. Financial Code section 22109.1, subdivision (a)(3) provides, in pertinent part:

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

19 ...

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

23 **Conclusion**

24 Based on the foregoing, the Commissioner is mandated under Financial Code sections 22109.1,  
25 subdivision (a)(3) to deny the issuance of a mortgage loan originator license to Lapuz.

26 WHEREFORE, the Commissioner prays that Mary Aileen Bautista Lapuz’s application for a

27 ///

1 mortgage loan originator license filed on July 20, 2018 be denied pursuant to California Financial  
2 Code section 22109(a)(3).

3 Dated: April 5, 2019

JAN LYNN OWEN  
Commissioner of Business Oversight

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By \_\_\_\_\_  
UCHE L. ENENWALI  
Senior Counsel  
Enforcement Division