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7 BEFORE THE DEPARTMENT OF CORPORATIONS
8 OF THE STATE OF CALIFORNIA

10	In the Matter of the Statement of Issues of THE)	File No.:
11	CALIFORNIA CORPORATIONS)	STATEMENT OF ISSUES
11	COMMISSIONER,)	
12	Complainant,)	
13	vs.)	
14	DAVID J. McKEE,)	
15	Respondent.)	

17 The Complainant is informed and believes, and based upon such information and belief,
18 alleges and charges Respondent as follows:

19 I

20 INTRODUCTION

21 The proposed order seeks to deny the issuance of a mortgage loan originator license to
22 DAVID J. McKEE ("Respondent") pursuant to Financial Code section 50141 in that Respondent has
23 previously pled guilty to federal bankruptcy fraud, a felony offense which involves an act of fraud
24 and dishonesty.

25 II

26 THE APPLICATION

27 On August 1, 2011, Respondent filed an application for a mortgage loan originator
28 license with the California Corporations Commissioner ("Complainant" or "Commissioner")

1 pursuant to the California Residential Mortgage Lending Act (“CRMLA”)(Financial Code
2 sections 50000 et. seq.), in particular, Financial Code section 50140. Respondent sought the
3 license for employment with or working on behalf of Van Dyk Mortgage Corporation as a
4 mortgage loan originator at a branch office located at 1872 College Boulevard, #108, Oceanside,
5 California, but with a principal place of business at 2449 Camelot Court SE, Grand Rapids,
6 Michigan. The application was submitted to the Commissioner by filing Form MU4 through the
7 Nationwide Mortgage Licensing System (“NMLS”). In his application, Respondent disclosed a
8 felony violation in his past.

9 III

10 CRIMINAL CONVICTION

11 Form MU4 at Question 8. (D)(1) specifically asked: “Have you been convicted of or pled
12 guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?
13 Respondent answered “Yes”.

14 Documents received by the Department of Corporations during the application process
15 revealed that in or about November, 1998, before the United States District Court, Southern District
16 of California, in criminal case number 98CR0876-N, Respondent pled guilty to bankruptcy fraud in
17 violation of Title 18 USC Section 152, for which he was fined and served three (3) years probation.
18 Respondent’s felony violation involved a series of bankruptcies he filed between 1992 and 1994.

19 Respondent signed the Form MU4 swearing that his answers were true and complete to the
20 best of Respondent’s knowledge.

21 Financial Code section 50141 provides in relevant part:

22 (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:

25 . . .

26 (2)(A) The applicant has not been convicted of, or pled guilty or nolo
27 contendere to, a felony in a domestic, foreign, or military court...
28 at any time preceding the date of application, if such felony involved
an act of fraud, dishonesty, a breach of trust, or money laundering...

1 Respondent’s guilty plea to federal bankruptcy fraud under 18 USC section 152 before the
2 US District Court, Southern District of California is a felony involving an act of fraud and
3 dishonesty, and constitutes grounds under Financial Code section 50141 which require Complainant
4 to deny Respondent’s application for a mortgage loan originator license.

5 IV

6 CONCLUSION

7 Complainant finds, by reason of the foregoing, that Respondent has pled guilty to federal
8 bankruptcy fraud, a felony in violation of 18 USC section 152, which constitutes an act of fraud and
9 dishonesty and grounds to deny Respondent’s application pursuant to Financial Code section
10 50141(a)(2)(A).

11 THEREFORE, pursuant to Financial Code section 50141, Complainant is mandated to deny
12 Respondent’s mortgage loan originator license application under the California Residential
13 Mortgage Lending Act.

14 WHEREFORE IT IS PRAYED that the mortgage loan originator application filed by
15 Respondent on August 1, 2011 be denied.

16 Dated: June 15, 2012
17 Sacramento, CA

JAN LYNN OWEN
California Corporations Commissioner

18 By _____
19 LINDSAY B. HERRICK
20 Corporations Counsel