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California Corporations Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Statement of Issues of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. JUAN SALAS, Respondent.	NMLS No.: 299623 Sponsor File No.: 413-0937 **STATEMENT OF ISSUES IN SUPPORT OF NON-ISSUANCE OF MORTGAGE LOAN ORIGINATOR LICENSE**

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

I.

INTRODUCTION

On or about August 17, 2010, Complainant determined not to issue a mortgage loan originator license to Juan Salas ("Respondent" and/or “Salas”) pursuant to Financial Code section 50141 in that Salas pled guilty to a felony involving an act of fraud, dishonesty, a breach of trust or money laundering.

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State of California – Department of Corporations

II.

THE APPLICATION

On May 3, 2010, Respondent filed an application for a mortgage loan originator license with the California Corporations Commissioner ("Complainant" or "Commissioner") pursuant to the California Residential Mortgage Lending Act ("CRMLA") (Financial Code, §§ 50000 et. seq.), in particular, Financial Code section 50140. The application was for employment on behalf of High Tech Lending as a mortgage loan originator, which has its principal place of business located at 2030 Main Street, Suite 350, Irvine, California 92614. Salas submitted his application to the Commissioner by filing Form MU4 through the Nationwide Mortgage Licensing System ("NMLS").

Form MU4 at Question 8. (D)(1) specifically asked: "Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony?" Respondent answered "yes." In providing details about his felony conviction, Respondent stated "In May of 1989 . . . me [sic] and 1 other guy used a toy gun to steal a car. This resulted in a conviction of Ca penal code 245(a)(1) on 3/5/1990 . . . I then served 3 years probation and paid about $3700 in restitution." The Respondent provided a copy of his criminal case file captioned *The People of the State of California v. Juan Antonio Salas*, case number C-74333, before the Superior Court of the State of California, County of Orange. On March 5, 1990, Salas pled guilty to one count robbery in the second degree, pursuant to Penal Code section 211, and one count assault with a deadly weapon other than a firearm or by force likely to produce great bodily injury, pursuant to Penal Code section 245, subdivision (a)(1). Respondent signed the Form MU4 swearing that the answers were true and complete to the best of Respondent's knowledge.

III.

CRIMINAL CONVICTION

As set forth above in section II., Respondent stated in his Form MU4 that he pled guilty to a felony on March 5, 1990. The documentation received by the Commissioner during the application process disclosed that Respondent, on or about March 5, 1990 in the Superior Court of California, County of Orange, pled guilty to violating Penal Code sections 211, robbery in the second degree,

and 245, subdivision (a)(1), assault with a deadly weapon other than a firearm or by force likely to produce great bodily injury; both crimes are classified as felonies under the Penal Code.

Financial Code section 50141 provides in relevant part:

> The commissioner shall not issue a mortgage loan originator license unless the commissioner makes at a minimum the following findings:
>
> . . .
>
> (b) The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign, or military court during the seven-year period preceding the date of the application for licensing and registration, or at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, a breach of trust, or money laundering. . . .

IV.

CONCLUSION

Complainant finds, by reason of the foregoing, that Respondent pled guilty to Penal Code section 211, robbery in the second degree, which constitutes a felony involving an act of dishonesty.

THEREFORE, Complainant asserts that Financial Code section 50141 mandates that Complainant not issue a mortgage loan originator license to Respondent under the CRMLA.

WHEREFORE IT IS PRAYED that the determination of Complainant to not issue a mortgage loan originator license to Respondent in connection with Respondent's May 3, 2010 application be upheld.

Dated: December 27, 2010
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____
BLAINE A. NOBLETT
Corporations Counsel
Enforcement Division

State of California – Department of Corporations