



COLORADO

Department of
Regulatory Agencies

Division of Real Estate

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MORTGAGE LOAN ORIGINATOR BOARD MINUTES

February 2, 2023

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**MORTGAGE LOAN ORIGINATOR BOARD
MEETING
VIA Webinar
February 2, 2023
COLORADO DIVISION OF REAL ESTATE**

A Mortgage Loan Originator Board public meeting was held on February 2, 2023 via webinar. Those Board Members in attendance were Dena Falbo, Chair; Jennifer Heinrich, Vice-Chair; Cindy Emerine; and Shirley Thielen. There is one vacancy on the Board.

Attending from the Division of Real Estate were Marcia Waters, Director; Eric Turner, Deputy Director; Nicole Tribelhorn, Program Team Lead; Eddie Rose, Program Team Lead; and Doreen Archuleta, Board Management. Devin Laiho is present via webinar from the Attorney General's Office.

Notice of the meeting was timely published and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

Due to closures of public spaces because of the Coronavirus pandemic, the meeting was conducted via Webinar. The meeting was called to order by Ms. Falbo, Chairwoman, at 9:01 a.m.

ORDER OF BUSINESS

Approval of Minutes - November 16, 2022

It was moved by Ms. Heinrich and seconded by Ms. Emerine to approve the Minutes of November 16, 2022 as submitted.



MLO

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Motion unanimously carried.

POLICY MATTERS: None

Agenda Items for Next Meeting - None

PUBLIC COMMENT: None.

EXECUTIVE SESSION:

At 9:03 a.m., it was moved by Ms. Falbo, seconded by Ms. Emerine, and approved by more than two-thirds vote of the Board that pursuant to §24-6-402(3)(a)(II), C.R.S., concerning disputes that are the subject of pending or imminent court action and/or for the purpose of receiving legal advice on specific legal questions regarding:

- Complaint Matter A, Complaint #2022-1878 (EB)
- Complaint Matter B, Complaint #2022-1879 (BB)
- Complaint Matter C, Complaint #2022-1882 (JK)
- Complaint Matter D, Complaint #2022-1883 (CP)
- Complaint Matter E, Complaint #2022-1881 (JD)
- Complaint Matter F, Complaint #2022-1884 (MP)
- Complaint Matter G, Complaint #2022-1885 (SR)
- Complaint Matter H, Complaint #2022-1887 (SSJ)
- Complaint Matter I, Complaint #2022-1886 (KR)
- Complaint Matter J, Complaint #2022-1888 (BS)
- Complaint Matter L, Complaint #2022-1890 (JS)
- Complaint Matter N, Complaint #2022-1889 (KS)
- Complaint Matter O, Complaint #2022-1891 (BT)
- Complaint Matter P, Complaint #2022-1893 (BW)
- Complaint Matter Q, Complaint #2022-1892 (CW)
- Complaint Matter R, Complaint #2022-1880 (PD),

specifically: legal advice regarding applicable legal bases to discipline an MLO license pursuant to Sections 12-10-711 and 12-10-713. C.R.S. and to discuss legal memorandum addressing Board discretion to discipline an MLO license under these provisions.

- AND -

- Licensing Matter A, Complaint #2022-1927 (JS),
specifically: legal advice regarding applicable legal bases for denial of an MLO license under Sections 12-10-711 and 12-10-713 C.R.S. and to discuss legal memorandum addressing Board discretion to deny applications for licensure under these provisions.

Motion unanimously carried.

Executive Session is conducted via conference call.

The Board adjourned out of Executive Session at 9:41 a.m. and the Board returned to open session at 9:42 a.m.

COMPLAINT MATTERS:

A. Complaint #2022-1878 (EB) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1878 (EB) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former NMLS education provider granted course credit to the MLOs who had enrolled in the approved courses but who neither

attended the course nor competed the coursework necessary to receive course credit.

As a result of the former education provider settlement, the respondent agreed to the following:

- Surrender all current MLO licenses and withdraw all MLO license applications of participating State Mortgage Regulators.
- Wait at least 90 days from December 27, 2021 before applying for, or seeking reinstatement of, an MLO license.
- Pay \$12,000 in administrative fines to be divided equally between the participating State Mortgage Regulators.
- Complete 28 hours MLO education courses prior to applying for, or seeking reinstatement of, an MLO license.

B. This is a possible violation of:

- a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

B. Complaint #2022-1879 (BB) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1879 (BB) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former education provider granted course credit to the MLOs who had enrolled in the approved courses but who neither attended the course nor competed the coursework necessary to receive course credit.

As a result of the former education provider settlement, the respondent agreed to the following:

- Surrender all current MLO licenses and withdraw all MLO license applications of participating State Mortgage Regulators.
- Wait at least 90 days from January 6, 2022 before applying for, or seeking reinstatement of, an MLO license.
- Pay \$30,000 in administrative fines to be divided equally between the participating State Mortgage Regulators.
- Complete 28 hours MLO education courses prior to applying for, or seeking reinstatement of, an MLO license.

B. This is a possible violation of:

- a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

C. Complaint #2022-1882 (JK) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1882 (JK) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former education provider granted course credit to the MLOs who had enrolled in the approved courses but who neither attended the course nor completed the coursework necessary to receive course credit.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Thielen for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

D. Complaint #2022-1883 (CP) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1883 (CP) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former education provider granted course credit to the MLOs who had enrolled in the approved courses but who neither attended the course nor completed the coursework necessary to receive course credit.

As a result of the former education provider settlement, the respondent agreed to the following:

- Surrender all current MLO licenses and withdraw all MLO license applications of participating State Mortgage Regulators
 - Wait at least 90 days from January 2, 2022 before applying for, or seeking reinstatement of, an MLO license
 - Pay \$8,000 in administrative fines to be divided equally between the participating State Mortgage Regulators
 - Complete 27 hours MLO education courses prior to applying for, or seeking reinstatement of, an MLO license.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Thielen for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$500.

Motion unanimously carried.

E. Complaint #2022-1881 (JD) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1881 (JD) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former education provider granted course credit to the MLOs who had enrolled in the approved courses but who neither attended the course nor completed the coursework necessary to receive course credit.

As a result of the former education provider settlement, the respondent agreed to the following:

- Surrender all current MLO licenses and withdraw all MLO license applications of participating State Mortgage Regulators
- Wait at least 90 days from December 30, 2021 before applying for, or seeking reinstatement of, an MLO license
- Pay \$6,000 in administrative fines to be divided equally between the participating State Mortgage Regulators
- Complete 28 hours MLO education courses prior to applying for, or seeking reinstatement of, an MLO license.

- B. This is a possible violation of:

- a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

F. Complaint #2022-1884 (MP) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1884 (MP) was presented to the Board with accompanying documentation and information.

- A. The respondent signed a Settlement Agreement and Consent Order related to the former NMLS education provider investigation, in which he was required to surrender his MLO license in California, Florida, and Oregon and withdraw any application for license in those states and not re-apply for three months, pay a \$4,000 fine and complete additional education. The respondent has met all terms of the Settlement Agreement.

- B. This is a possible violation of:

- a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Thielen for a settlement offer of a Stipulation and Final Agency Order to include public censure.

Motion unanimously carried.

G. Complaint #2022-1885 (SR) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1885 (SR) was presented to the Board with accompanying documentation and information.

- A. The respondent signed a Settlement Agreement and Consent Order in which he was required to surrender his California, Hawaii, Idaho, Maryland, New Hampshire, Nevada, Oregon and Washington MLO licenses and not re-apply for 90 days and pay a \$10,000 penalty. The respondent was ordered to complete 20 hours of continuing education. The respondent has completed the terms of the Settlement Agreement. The respondent states in his response that he did not contact "Colorado" (Division of Real Estate) as he was told by the NMLS investigators that Colorado was not involved and that was the respondent's reason for not contacting Colorado DRE. The respondent uploaded the settlement agreement into the NMLS and thought Colorado was aware of the settlement because it was uploaded in the NMLS.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Emerine for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

H. Complaint #2022-1887 (SSJ) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1887 (SSJ) was presented to the Board with accompanying documentation and information.

- A. In 12/2021, the respondent entered into a multi-state settlement agreement and consent order (Consent Order) requiring him to surrender his MLO license in all participating states for a period of 3 months before he could reapply for a new license in any of the respective states. He was also required to pay \$7,000 in fines split equally among the states and complete 20 hours of PE and 8 hours of CE. The Consent Order stems from an NMLS investigation that learned of suspicious activity regarding an MLO education cheating scheme. That investigation found that the course provider gave fraudulent course credit to MLOs who did not attend the respective in-person and online courses. The Consent Order states that the respondent accepted 28 PE and/or CE completed by the course provider on the applicant's behalf under the "In-person Education Scheme".

The respondent was first licensed in CO as an MLO on 09/08/21 and renewed approximately 11/03/2021 approximately one-month prior to entering into the Consent Order. The respondent stated, and it appears, that the CE/PE referenced in the Consent Order was not related to Colorado. However, the Division does not have record of the respondent notifying the Division of the Consent Order. The respondent has begun the process of reapplying in the affected states and has obtained his new license in 6 of the 7 jurisdictions so far including one new state. However, the state of Georgia revoked the respondent's company license and denied his individual license in 01/2022 due to the Consent Order.

- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

I. Complaint #2022-1886 (KR) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1886 (KR) was presented to the Board with accompanying documentation and information.

- A. In 12/2021, the respondent entered into a multi-state settlement agreement and consent order (Consent Order) requiring her to surrender her MLO license in all participating states for a period of 3 months before she could reapply for a new license in any of the respective states. She was also required to pay \$6,000 in fines split equally among the states and complete 20 hours of PE and 8 hours of CE. The Consent Order stems from an NMLS investigation that learned of suspicious activity regarding an MLO education cheating scheme. That investigation found that the course provider gave fraudulent course credit to MLOs who did not attend the respective in-person and online courses. The Consent Order states that the respondent accepted 7 PE and/or CE completed by the course provider on the applicant's behalf under the "In-person Education Scheme" and 3 PE and/or CE under the "Online Education Scheme".

The respondent let her Colorado MLO license expire on 01/01/2022 and waited until 04/26/2022 to reapply. Due to an internal oversight, her application was not flagged and was approved on 05/03/22. It appears that the respondent acted as if Colorado was a party to the settlement agreement by letting her license expire and waiting over 3-months to reapply, which did include disclosure of the settlement agreement in her NMLS application. The respondent has since obtained her license in all of the participating states.

- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Emerine for a settlement offer of a Stipulation and Final Agency Order to include public censure.

Motion unanimously carried.

J. Complaint #2022-1888 (BS) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1888 (BS) was presented to the Board with accompanying documentation and information.

- A. In 12/2021, the respondent entered into a multi-state settlement agreement and consent order (Consent Order) requiring him to surrender his MLO license in all participating states for a period of 3 months before he could reapply for a new license in any of the respective states. He was also required to pay \$14,000 in fines split equally among the states and complete 20 hours of PE and 8 hours of CE. The Consent Order stems from an NMLS investigation that learned of suspicious activity regarding an MLO education cheating scheme. That investigation found that the course provider gave fraudulent course credit to MLOs who did not attend the respective in-person and online courses. The Consent Order states that the respondent accepted 34 PE and/or CE completed by the course provider on the applicant's behalf under the "In-person Education Scheme" and 14 PE and/or CE under the "Online Education Scheme".

Although the respondent did disclose this information on his NMLS Application/profile, he did not notify the Division of the Settlement Agreement. His MLO License was last renewed on 11/01/2021 and was active until 10/18/2022 when he voluntarily inactivated the license just prior to receiving the complaint notice. The respondent has begun reapplying to the participating states as well as new states and is currently licensed in only 5 states/jurisdictions compared to the 14 listed in the Settlement Agreement.

- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$1,000.

Motion unanimously carried.

K. Complaint #2022-1325 (MP) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1325 (MP) was presented to the Board with accompanying documentation and information.

- A. On May 4, 2022, the respondent was found to have violated the State Regulatory Registry's Rules of Conduct by paying an employee to complete his continuing education for the years 2019 through 2021. It was recommended that the 2021 online continuing education courses should be retracted from the respondent's NMLS account, and that the Testing and Education investigation flag would be updated on his NMLS account notifying all relevant mortgage regulators of the

violations. The NMLS records were updated on September 22, 2022. The states that this conduct occurred in have yet to take action against the respondent.

- B. This is a possible violation of:
 - a. § 12-10-713(1)(v), C.R.S. - good faith / fair dealing.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Emerine for a settlement offer of a Stipulation and Final Agency Order to include public censure; payment of a fine in the amount of \$1,000. In addition, the respondent will be permitted to surrender his license for no less than one year.

Motion unanimously carried.

L. Complaint #2022-1890 (JS) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1890 (JS) was presented to the Board with accompanying documentation and information.

- A. On January 9, 2021, the respondent surrendered his mortgage loan originator license as a result of his involvement in a continuing education testing and education scheme in 2018. The respondent was ordered to surrender his license in 10 states and pay \$11,000.00 in fines. The respondent provided proof of payment of the fines and did not reinstate his license in any of the states. The respondent explained that he has not practiced since his license relinquishment and does not plan on renewing his Colorado license in 2022.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$500.

Motion unanimously carried.

M. Complaint #2022-91 (OC) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-91 (OC) was presented to the Board with accompanying documentation and information.

- A. On January 20, 2022, a complaint was filed against the respondent. The complainant alleges that she contacted the respondent for a refinance, and he provided a rate lock agreement, then could not be reached for 60 days. The complainant was later quoted additional fees that she did not agree to and decided not to proceed with the refinance. The complainant alleges that she missed out on lower interest rates with other lenders due to the time she wasted attempting to work with the respondent. Despite repeated attempts to reach the respondent by phone, email and Certified Mail, the respondent has failed to respond to the Division's correspondence.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(m), C.R.S. - any part 9 or rule violation;
 - b. § 12-10-713(1)(q), C.R.S. - unworthy, incompetent;

- c. § 12-10-713(1)(v), C.R.S. - good faith / fair dealing; and
- d. Board Rule 5.9 - duty to respond.

Following discussion, it was moved by Ms. Emerine and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure; payment of a fine in the amount of \$3,000; and suspension of the mortgage loan originator's license for a period of one year to commence upon reinstatement.

Motion unanimously carried.

N. Complaint #2022-1889 (KS) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1889 (KS) was presented to the Board with accompanying documentation and information.

- A. On December 30, 2021, the respondent entered into a Settlement Agreement and Consent Order regarding their participation in the former NMLS education provider mortgage loan originator testing and education scheme in twelve states. The respondent was ordered to a three-month license suspension, a \$12,000.00 fine, and completion of 20 hours of PE and 8 hours of CE. The fines have been paid in all twelve of the states. The respondent is actively licensed in the following states: AZ, CA, CO, FL, ID, IL, MI, OH, OK, PA, TX, VA, and WA.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$1,000.

Motion unanimously carried.

O. Complaint #2022-1891 (BT) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1891 (BT) was presented to the Board with accompanying documentation and information.

- A. As a result of involvement with a mortgage loan originator testing and education scheme, the respondent executed a Settlement Agreement and Consent Order with the states of Florida and California on 12/28/2021 and 12/30/2021, respectively, wherein his MLO licenses were surrendered for a period of 90-days and he paid a fine of \$2,000.00. The fine has been paid and the respondent is now re-licensed in both states. The respondent also had to complete 20 hours of PE, and 8 hours of CE.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Thielen for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$1,000.

Motion unanimously carried.

P. Complaint #2022-1893 (BW) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1893 (BW) was presented to the Board with accompanying documentation and information.

- A. On December 28, 2021 the respondent entered into a Settlement and Consent Order with the states of AZ, CA, and FL as a result of involvement with a mortgage loan originator testing and education scheme. The respondent was ordered to 90 days of license suspension, a \$3,000.00 fine, and completion of 20 hours of PE and 8 hours of CE. The fine has been paid and the respondent currently has active MLO licenses in seven states.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Emerine for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$1,000.

Motion unanimously carried.

Q. Complaint #2022-1892 (CW) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1892 (CW) was presented to the Board with accompanying documentation and information.

- A. As a result of involvement with a mortgage loan originator testing and education scheme, the respondent executed a Settlement Agreement and Consent Order with the states of California and Idaho on 12/8/2021. His MLO licenses were surrendered for a period of 90-days, he was required to pay a fine of \$2,000.00, and complete 20 hours of PE and 8 hours of CE. The fine has been paid. Evidence of completion of the PE and CE was requested but not received.
- B. This is a possible violation of:
 - a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Heinrich for a settlement offer of a Stipulation and Final Agency Order to include public censure and payment of a fine in the amount of \$1,000.

Motion unanimously carried.

R. Complaint #2022-1880 (PD) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1880 (PD) was presented to the Board with accompanying documentation and information.

- A. In a multi-state investigation, it was determined that a former NMLS education provider completed in-person and online education on behalf of hundreds of MLOs across the nation. The former education provider granted course credit to

the MLOs who had enrolled in the approved courses but who neither attended the course nor completed the coursework necessary to receive course credit.

As a result of the former education provider settlement, the respondent agreed to the following:

- Surrender all current MLO licenses and withdraw all MLO license applications of participating State Mortgage Regulators
- Wait at least 90 days from January 18, 2022 before applying for, or seeking reinstatement of, an MLO license
- Pay \$11,000 in administrative fines to be divided equally between the participating State Mortgage Regulators
- Complete 28 hours MLO education courses prior to applying for, or seeking reinstatement of, an MLO license.

B. This is a possible violation of:

- a. § 12-10-713(1)(w), C.R.S. - action in another jurisdiction.

Following discussion, it was moved by Ms. Falbo and seconded by Ms. Thielen for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of fine in the amount of \$1,000.

Motion unanimously carried.

S. Complaint #2022-1580 (BA) -

The investigative report concerning the complaint filed against the respondent in Complaint #2022-1580 (BA) was presented to the Board with accompanying documentation and information.

A. On August 29, 2022, the respondent plead guilty to two counts of Sexual Exploitation/Child - Induce/Entice, a Class 3 Felony. The respondent was sentenced to 20 years in the Department of Corrections (237 days credit), 36 months mandatory parole, \$489.00 in costs and fees, and registry as a sex offender. The remaining balance is \$449.87 and the respondent is currently incarcerated.

B. This is a possible violation of:

- a. § 12-10-711(2), C.R.S. - guilty plea to felony.

Following discussion, it was moved by Ms. Heinrich and seconded by Ms. Emerine for a settlement offer of a Stipulation and Final Agency Order to include public censure and revocation of the mortgage loan originator's license.

Motion unanimously carried.

LICENSING MATTERS:

A. Complaint #2022-1927 (JS) - License Application -

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

The applicant signed a settlement agreement and consent order as part of the former NMLS education provider multi-state investigation.

It was moved by Ms. Emerine and seconded by Ms. Falbo to approve the license application.

Ms. Thielen abstains. **Motion carried.**

B. Complaint #2022-1947 (GC) - License Application -

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On March 01, 2012, the applicant was convicted of a Felony Possession of Cocaine, less than 1 gram. The applicant was sentenced to 2 years of Community Supervision and a fine of \$300. The applicant has completed all terms of Community Supervision and paid the fine in full. The case is closed.

It was moved by Ms. Heinrich seconded by Ms. Thielen to approve the license application.

Motion unanimously carried.

C. Complaint #2022-1687 (SF) - License Application -

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On January 19, 2021, the applicant entered into a Consent Order with the California Department of Real Estate. The applicant's California mortgage loan originator license and company licenses were suspended for 15 days after an audit was completed. The audit revealed issues with disclosures not being provided to borrowers within the required time frames and incorrectly disclosed fees. The audit also cited that the applicant, who is President of the company, failed to adequately supervise employees. The applicant and his company were ordered to pay \$10,158.35 in fines and audit costs. The fines and costs have been paid and the suspension was stayed for two years. The applicant and his company are currently licensed in California.

On March 10, 2016, the applicant and his company were issued a Cease and Desist Order after the State of Oregon's Division of Financial Regulation conducted a desk audit of the company's files. The company was ordered to pay a \$3,250.00 fine and cease and desist from violating Oregon mortgage loan originator law. The Order is signed by the applicant as President of the Company. The fine has been paid and the company surrendered their license prior to the discipline being finalized.

It was moved by Ms. Emerine seconded by Ms. Falbo to approve the license application.

Motion unanimously carried.

D. Complaint #2022-1864 (GL) - License Application -

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

In the NMLS registry, the applicant disclosed two actions taken against the company that she is the registered agent for. On March 8, 2018, the applicant's company entered into a Settlement Agreement with the State of California, Department of Business Oversight. The company was ordered to pay a \$100,000.00 fine. The fine has been paid and the company is currently licensed in the state of California. The conduct described in this order does not pertain to the applicant as an individual loan originator.

On August 16, 2019, the applicant's company entered into a Settlement Order with the Virginia State Corporation Commission. The company was ordered to pay a fine of \$20,000.00. The fine has been paid and the company is currently licensed in the state of Virginia. The conduct described in this order does not pertain to the applicant as an individual loan originator.

It was moved by Ms. Emerine seconded by Ms. Thielen to approve the license application.

Motion unanimously carried.

E. Complaint #2022-1951 (MG) - License Application -

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On 01/17/2018, the applicant agreed to a Deferred Sentence of two (2) years that included supervised probation for a misdemeanor assault. He incurred court costs and fees in the amount of \$1,473.50 which has been paid in full. Probation, however, was revoked and the applicant was sentenced to 180 days in jail. On 10/02/2018, the applicant was sentenced to three (3) years of supervised probation for a misdemeanor Violation of Protection Order-Criminal and a misdemeanor Menacing. Probation was revoked and the applicant was sentenced to six (6) months in jail. Court costs and fees in the amount of \$541.50 have a balance of \$131.50 as of 11/29/2022 and payments are being made monthly. On 03/27/2020, the applicant was sentenced to 90 days in jail for a misdemeanor Harassment-Strike/Shove/Kick. Court costs and fees in the amount of \$297.50 have a balance of \$277.50 as of 11/29/2022 and payments are being made monthly.

It was moved by Ms. Emerine seconded by Ms. Heinrich to deny the license application based on § 12-10-711(1)(g), C.R.S.

Motion unanimously carried.

Complaint F - #2022-2217 (MS) - License Application

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On 10/11/2019, the Texas Department of Savings and Mortgage Lending fined the applicant's place of business in the amount of \$6,550.00 after an examination found that the business was in violation of Failure to Contract a Properly Licensed Loan Processor, Unauthorized Activity, and Failure to Maintain a Proper Physical Office. The applicant stated, although never licensed in Texas, he was included in the disciplinary action as he was the Administrative Officer of the business.

It was moved by Ms. Heinrich seconded by Ms. Thielen to approve the license application.

Motion unanimously carried.

Adjourn

The MLO Board meeting adjourned at 11:36 a.m. on February 2, 2023.

Dena Falbo, Chair

Jennifer Heinrich, Vice-Chair

Cindy Emerine, Board Member

Shirley Thielen, Board Member

Vacancy

**Marcia Waters, Director
Colorado Division of Real Estate**