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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. BARRY TIKOTIN, Respondent.	NMLS No.: 382845 **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 December 27, 2011, Complainant did not issue a mortgage loan originator license to Barry Tikotin ("Respondent" and/or "Tikotin") pursuant to Financial Code section 50141 in that Tikotin pled guilty to a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering. 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:
>
> . . .

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> (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**. . . .[Emphasis added.]

II.

THE APPLICATION

On November 24, 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 Maverick Funding Corp as a mortgage loan originator, which has its principal place of business located at 20501 Ventura Boulevard, Woodland Hills, California 91364. Tikotin 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 provided a two-page statement in which he admits to pleading guilty for providing false information in two loan applications and admits to making restitution for his crimes. The Respondent provided a copy of his Judgment and Probation/Commitment Order, Docket No. CR-94-1071-HLH, for the case of *United States of America vs. Barry Tikotin.* This order shows that on June 12, 1995, Respondent pled guilty to making false statement in a loan application, aiding and abetting, causing an act to be done in violation of Title 18 United States Code (USC) Sections 1014 and 18 USC 2 (a) and 2 (b). Respondent signed the Form MU4 swearing that the answers were true and complete to the best of Respondent's knowledge.

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III.

CRIMINAL CONVICTION

As set forth above in section II, Respondent stated in his Form MU4 that he pled guilty to a felony on June 12, 1995. The documentation received by the Commissioner during the application process disclosed that Respondent pled guilty to two counts of Title 18 USC Sections 1014 and 2 (a) and 2 (b) which make it unlawful to provide false information to influence action on a loan application, as specified, and aiding and abetting and acting as a principal in violation of the law, as specified. Tikotin was sentenced to 37 months on each count which are classified as felonies under Title 18 USC Section 3559. He was ordered to make restitution of $579, 463.29, with Harold Tikotin, to Union Savings Bank in the amount of $422,393.29 and United Savings Bank in the amount of $157,070.00. Respondent was also placed on probation for a term of 5 years on each count under terms and conditions, as specified. Among the terms and conditions was a provision that prohibited Tikotin from being employed by, affiliated with, owning or controlling, or otherwise participating, directly or indirectly, in the conduct of the affairs of any financial institution insured by the Federal Deposit Insurance Corporation.

IV.

CONCLUSION

Complainant finds, by reason of the foregoing, that Respondent pled guilty to Title 18 USC Sections 1014 and 2 (a) and 2(b), making false statements in loan applications and aiding and abetting and acting as a principal in the violations of law, which constitute a felony involving an act of fraud or dishonesty .

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

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WHEREFORE IT IS PRAYED that the determination of Complainant to not issue a mortgage loan originator license to Respondent in connection with Respondent's November 24, 2010 application be upheld.

Dated: May 14, 2012
Sacramento, CA

JAN LYNN OWEN
California Corporations Commissioner

By_____
TIMOTHY L. Le BAS
Senior Corporations Counsel
Enforcement Division

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