

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____	)	ORDER TO SHOW CAUSE
Proceedings by the Commissioner of Banking	)	
and Insurance, State of New Jersey, to fine,	)	
suspend and/or revoke the mortgage loan	)	
origination license of Emin Jasmen Vartanian,	)	
NMLS ID: 1073213.	)	

TO: Emin Jasmen Vartanian
10309 Odell Ave
Sunland, CA 91040

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that Emin Jasmen Vartanian (“Respondent”), may have violated various provisions of the Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 to -89 (“Act”); and

WHEREAS, Respondent was licensed as a mortgage loan originator (“MLO”) in New Jersey, NMLS ID 1073213, from February 2021 through December 31, 2022, when his license expired; and

WHEREAS, Respondent is subject to the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-57(a)(3), an applicant for a mortgage loan originator license must demonstrate character and general fitness as to command the confidence of the community and to warrant a determination that as a mortgage loan originator the applicant will operate honestly, fairly, and efficiently within the purposes of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), the Commissioner may revoke or suspend the license of any mortgage loan originator, or impose a penalty, when the Commissioner finds that the licensee has violated any of the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(b), the Commissioner may revoke or suspend the license of any mortgage loan originator, or impose a penalty, when the Commissioner finds that the licensee has failed at any time to meet the requirements for licensure, including the requirement to demonstrate character and general fitness, or has withheld information or made a material misstatement in the application for the license; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(f), the Commissioner may revoke or suspend the license of any mortgage loan originator, or impose a penalty, when the Commissioner finds that the licensee has demonstrated unworthiness, incompetence, bad faith, or dishonesty in the transaction of business as a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(g), the Commissioner may revoke or suspend the license of any mortgage loan originator, or impose a penalty, when the Commissioner finds that the licensee has engaged in any other conduct which would be deemed by the Commissioner to be the cause for denial, revocation, suspension, or refusal of the license or license renewal; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(4), the Commissioner may impose a civil penalty not exceeding \$25,000.00 on any person for a violation of the Act, and each violation of this Act shall constitute a separate offense; and

COUNT 1

IT APPEARING that, in 2017, while Respondent was licensed as an MLO in California, Respondent participated in a fraudulent scheme to make it appear that he had completed a continuing education course, when in fact he had not; and

IT FURTHER APPEARING that, more specifically, Respondent compensated Danny Yen d/b/a Real Estate Educational Services, so that Danny Yen would falsely report to the Nationwide Multistate Licensing System & Registry (“NMLS”) and state regulators, including the Department, that Respondent had completed an eight-hour in-person continuing education course required to maintain his MLO license; and

IT FURTHER APPEARING that, in fact, Danny Yen d/b/a Real Estate Educational Services did not in fact conduct an in-person course in 2017, and therefore Respondent did not in fact complete the course; and

IT FURTHER APPEARING that, in October 2020, Respondent applied for an MLO license from the Department, and in his application falsely reported that he had completed all required continuing education courses and failed to disclose that he had participated in the falsification of his continuing education requirements in 2017; and

IT FURTHER APPEARING that, on January 31, 2022, Danny Yen d/b/a Real Estate Educational Services entered into a Settlement Agreement with twenty-five state regulators, including the Department, for operating an education fraud scheme for MLOs in violation of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101-5116, and the NMLS Standards of Conduct; and

IT FURTHER APPEARING that, pursuant to the Settlement Agreement, Danny Yen was permanently barred from participating in any business that provides education courses for MLO licensure, and was ordered to pay \$75,000 in civil monetary penalties, divided among the participating state regulators, including the Department; and

IT FURTHER APPEARING that, in February 2021, the Department issued Respondent an MLO license based on his representations on the application; and

IT FURTHER APPEARING that, on June 10, 2022, Respondent entered into a Settlement Agreement with the California Commissioner of Financial Protection and Innovation for his active participation in the continuing education fraud; and

IT FURTHER APPEARING that, pursuant to the June 10, 2022 Settlement Agreement, Respondent agreed to surrender his MLO license in California, complete the required education courses, and pay a \$1,000 penalty; and

IT FURTHER APPEARING that, on December 31, 2022, Respondent's MLO license expired because it was not renewed; and

IT FURTHER APPEARING that by participating in the fraud to falsely report his completion of the required continuing education course, and by falsely reporting to the Department that he had completed all required continuing education courses and failing to disclose his participation in the 2017 continuing education fraud, Respondent violated N.J.S.A. 17:11C-57(a)(3), and N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(b), (a)(3)(f), and (a)(3)(g); and

NOW, THEREFORE, IT IS on this 30 day of June 2026,

ORDERED that Respondent appear and show cause why his expired mortgage loan originator license, NMLS ID 1073213, should not be revoked, pursuant to N.J.S.A. 17:11C-70(a)(3); and

IT IS FURTHER ORDERED that Respondent appear and show cause why the Commissioner should not assess a civil penalty of not more than \$25,000.00 for each violation of the Act, pursuant to N.J.S.A. 17:11C-70(b)(4); and

IT IS FURTHER ORDERED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at his own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER ORDERED that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondent and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by emailing the request to Paulette Sibblies-Flagg at paulette.sibblies-flagg@dob.nj.gov and mailing a copy to Paulette Sibblies-Flagg, OCF Investigations Unit, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey 08625. A copy of the request for a hearing shall also be emailed to Deputy Attorney General Garen Gazaryan at garen.gazaryan@law.njoag.gov and a copy mailed to P.O. Box 117, Trenton, New Jersey 08625. The request shall contain the following:

- A. Respondent's full name, address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- D. A statement requesting a hearing.



Susan Ochs
Acting Commissioner