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BEFORE THE MONTANA DEPARTMENT OF ADMINISTRATION,
DIVISION OF BANKING AND FINANCIAL INSTITUTIONS

STATE OF MONTANA, DEPARTMENT
OF ADMINISTRATION, DIVISION OF
BANKING AND FINANCIAL
INSTITUTIONS,

Claimant,

v.


LEEANN LUU LY, an applicant for a
Mortgage Loan Originator license, NMLS
number 1325838,

Respondent.

Case No. M2017-33

**NOTICE OF PROPOSED
DENIAL OF LICENSE AND
OPPORTUNITY FOR
ADMINISTRATIVE
HEARING**

TO: LeeAnn Luu Ly



The Division of Banking and Financial Institutions (Division) pursuant to the authority granted by the Montana Mortgage Act (Act), Mont. Code Ann. § 32-9-101 et seq., hereby issues this Notice of Proposed Denial of License and Opportunity for Administrative Hearing.

NOTICE OF PROPOSED DENIAL OF LICENSE AND
OPPORTUNITY FOR ADMINISTRATIVE HEARING

Page 1 of 6

1 **PARTIES, JURISDICTION, AND VENUE**

2 1. The Division is the agency charged with licensing, examining, and
3 regulating mortgage brokers, mortgage lenders, mortgage servicers and, mortgage
4 loan originators.

5 2. LeeAnn Luu Ly (Respondent) has applied for a Mortgage Loan
6 Originator license in Montana. Her Nationwide Mortgage Licensing System
7 (NMLS) number is 1325838.

8 3. Pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-120, and 32-9-133,
9 this administrative tribunal has personal jurisdiction over the Respondent because
10 the Respondent has applied for a license in this state.

11 4. Pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-120 and 32-9-133,
12 the Division has jurisdiction over the subject matter of this action and is authorized
13 to bring this action against Respondent for a violation of the Act.

14 5. Venue is appropriate in Lewis and Clark County because Mont. Code
15 Ann. § 25-2-124 provides that the proper place of trial for the recovery of a penalty
16 or forfeiture imposed by statute is the county where the cause or some part of it
17 arose. All licensing is done at the Division's offices in Helena, Lewis and Clark
18 County Montana.

19 **FACT ASSERTIONS**

20 1. On July 28, 2017, Respondent applied for a mortgage loan originator
21 license in the State of Montana.

22 2. She swore or affirmed that she has never been convicted or pled guilty
23 in any domestic court to a felony.

24 4. She electronically signed this statement:
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1 I LeeAnn Luu Ly (1325838), (Applicant) on this date Friday, July 21, 2017
2 swear (or affirm) that I executed this application on my own behalf, and agree to
3 and represent the following:

4 (1) That the information and statements contained herein, including exhibits
5 attached hereto, and other information filed herewith, all of which are made a part
6 of this application, are current, true, accurate and complete and are made under the
7 penalty of perjury, or un-sworn falsification to authorities, or similar provisions as
8 provided by law;

9 (2) To the extent any information previously submitted is not amended and
10 hereby, such information remains accurate and complete;

11 (3) That the jurisdiction(s) to which an application is being submitted may
12 conduct any investigation into my background, in accordance with all laws and
13 regulations;

14 (4) To keep the information contained in this form current and to file
15 accurate supplementary information on a timely basis; and

16 (5) To comply with the provisions of law, including the maintenance of
17 accurate books and records, pertaining to the conduct of business for which I am
18 applying.

19
20 If an Applicant has made a false statement of a material fact in this
21 application or in any documentation provided to support the foregoing application,
22 then the foregoing application may be denied.

23
24 I verify that I am the named person above and agree to the language as
25 stated.

1 5. Also on July 21, 2017 she changed her answer to this question from
2 “yes” to “no”. “Have you ever been convicted or pled guilty in any domestic court
3 to a misdemeanor involving: (i) financial services or a financial services-related
4 business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking
5 of property, (v) bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix)
6 extortion. “

7 6. When asked why she changed her answer to the above question from
8 “yes” to “no”, she responded, “There was no charge and no conviction that is why I
9 changed it. I had a misdemeanor for a bad check 20 years ago for \$300 so that's
10 why I originally answered yes but it wasn't actually a charge I just paid it and they
11 dismissed it.”

12 7. On, December 4, 1997, Respondent pled guilty in federal district court
13 in Amarillo, Texas to Theft by a Credit Union Employee in violation of 18 U.S.C.
14 657. On March 6, 1998, she was sentenced to one day in federal prison, 5 years on
15 supervised release, and ordered to pay \$9,420 in restitution.

CONCLUSIONS OF LAW

18 1. The Division has jurisdiction over this matter and over the Respondent
19 pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-120, and 32-9-133.

20 2. Respondent has pled guilty to a felony involving fraud, dishonesty,
21 breach of trust or money laundering in violation of Mont. Code Ann. § 32-9-
22 120(1)(b).

23 3. Respondent made a material misstatement of fact in her application in
24 violation of Mont. Code Ann. § 32-9-120(1)(g).

25 4. Respondent's application should be denied.

CERTIFICATE OF SERVICE

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I hereby certify that on the 14th day of August, 2017, the undersigned caused a true and accurate copy of the foregoing Notice of Proposed Denial of License and Opportunity for Administrative Hearing to be mailed by U.S. Certified Mail # [REDACTED]

[REDACTED] to:

LeeAnn Luu Ly

[REDACTED]

[REDACTED]

August 14, 2017

[Signature]