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

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IN THE MATTER OF THE MONTANA  
MORTGAGE LOAN ORIGINATOR LICENSE OF  
JEREMY PAUL ARNDT, NMLS # 1672499,

Respondent.

Case No. M2021-111

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

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The Montana 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 Suspension of License and Opportunity for Administrative Hearing (Notice).

**PARTIES, JURISDICTION, AND VENUE**

1. The Division is the agency charged with licensing, examining, and regulating mortgage brokers, mortgage lenders, mortgage servicers, and mortgage loan originators.
2. JEREMY PAUL ARNDT (Respondent) is licensed as a mortgage loan originator (MLO) in Montana. Respondent's Nationwide Multistate Licensing System (NMLS) number is 1672499.
3. Pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-126, and 32-9-133, this administrative tribunal has personal jurisdiction over the Respondent because the Respondent is

licensed as an MLO in this state.

4. Pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-126 and 32-9-133, the Division has jurisdiction over the subject matter of this action and is authorized to bring this action against Respondent for a violation of the Act.

5. Venue is appropriate at the location set by the Division pursuant to Mont. Code Ann. § 2-4-611. Hearings are typically held in Helena, Lewis and Clark County, Montana, where the Division's main office is located.

### **FACT ASSERTIONS**

1. On February 25, 2021, the Division approved Respondent's application for a Montana MLO license.

2. On November 22, 2021, Respondent filed a renewal application for a Montana MLO license with the Division.

3. In that application, Respondent authorized a background check and credit report through the Nationwide Multistate Licensing System (NMLS).

4. On December 15, 2021, the Division performed a search for liens, judgments, and bankruptcies using CLEAR, a service available to government agencies through Thomson Reuters.

5. Reflected in the background checks are [REDACTED].

6. On December 28, 2021, the Division sent Respondent a Mid-Year Agreement of Conditional Mortgage Loan Originator License and Consent to Entry to Agreement (Agreement) via email to the address listed in his NMLS record. Respondent was instructed to exercise one of the following three options by January 11, 2022:

- a. sign and return to the Agreement to the Division, or

- b. submit a license surrender request through the NMLS, or
  - c. request an administrative hearing.
7. Respondent did not respond to the Division's request.
8. On January 13, 2022, the Division sent Respondent an email requesting signature on the Agreement or to submit a license surrender request by January 20, 2022.
9. Respondent did not respond to the Division's request.
10. On January 25, 2022, the Division sent Respondent an email requesting signature on the Agreement or to submit a license surrender request by February 1, 2022.
11. On January 25, 2022, the Division sent an email to Respondent's licensing department at [REDACTED], requesting they verify the contact information in the NMLS for Respondent.
12. On January 25, 2022, Laurette Marx, Compliance Clerk for Canopy Mortgage, LLC, responded to the Division's email stating Respondent's contact information is accurate and that she will request that he contact the Division as soon as possible. The Division responded acknowledging receipt of her email.
13. On January 25, 2022, Laurette Marx copied the Division on an email to Respondent requesting he contact the Division as soon as possible.
14. On January 25, 2022, Respondent replied to Laurette Marx's email stating, "Yup, they have and I've responded. I unfortunatly [sic] cannot supply them with what they need to renew".
15. On January 25, 2022, the Division sent an email to Laurette Marx stating that it appears Respondent is confusing the Division with another regulator and suggested he authorize her to be copied on all correspondence to allow her to assist him if necessary.

16. On January 25, 2022, Laurette Marx sent an email to Respondent requesting he send authorization to the Division to copy her on all correspondence.

17. On January 25, 2022, Respondent sent the Division and email authorizing her to be copied on all correspondence.

18. On January 27, 2022, the Division sent an email to Respondent and Laurette Marx forwarding a copy of the Agreement, requesting signature of surrender of MLO license by February 1, 2022.

19. Respondent did not respond to the Division's request.

20. On February 7, 2022, the Division sent an email to Respondent and Laurette Marx forwarding a copy of the Agreement, requesting signature of surrender of MLO license by February 14, 2022.

21. Respondent did not respond to the Division's request.

22. On March 7, 2022, the Division attempted to contact Respondent through the phone number provided in the NMLS. Phone number appeared to be incorrect as it only emitted a fast busy signal.

23. On March 7, 2022, the Division left a voice mail for Laurette Marx.

24. On March 8, 2022, Laurette Marx called the Division stating she would update his phone number in the NMLS and attempt to have Respondent respond to the Division's request as soon as possible.

25. Respondent did not contact the Division or submit a license surrender request.

26. On March 10, 2022, the Division sent an email to Respondent and copied Laurette Marx requesting signature on agreement or to submit a license surrender request by March 11, 2022, or the Division will begin the process to suspend Respondent's license.

27. On March 17, 2022, Laurette Marx sent an email to the Division stating that Respondent will submit a surrender request.
28. On March 18, 2022, the Division acknowledged Laurette Marx's email and implied the due date is extended through March 26, 2022.
29. On March 23, 2022, Respondent called the Division and left a voicemail requesting assistance with the surrender process in the NMLS.
30. On March 23, 2022, the Division called Respondent but there was no answer.
31. On March 24, 2022, the Division called and spoke with Respondent, but he stated he was not in front of his computer and would call back.
32. Respondent did not contact the Division.
33. On March 29, 2022, the Division called Respondent but there was no answer.
34. On April 5, 2022, the Division called Respondent and left a voicemail.
35. Respondent did not return the Division's call.

### **CONCLUSIONS OF LAW**

1. The Division has jurisdiction over this matter and over the Respondent pursuant to Mont. Code Ann. §§ 32-9-102, 32-9-126, and 32-9-133.
2. Respondent is licensed as an MLO under Mont. Code Ann. §§ 32-9-120, 32-9-126, and 32-9-165.
3. On February 25, 2021, the Division approved Respondent's application for a Montana MLO license.
4. On November 22, 2021, Respondent filed a renewal application for a Montana MLO license with the Division.
5. On December 28, 2021, the Division sent Respondent an Agreement requesting

he either enter into the Agreement with the Division, surrender his license, or request an administrative hearing.

6. The Division made an additional nine attempts over a period of three months to contact Respondent through email, setting a license items in the NMLS, involving his licensing department to provide Respondent with assistance, and by phone call.

7. Respondent failed to execute any of the options made available to him.

8. Pursuant to Admin. R. Mont. 2.59.1742(4)(a), a license may be suspended when the licensee has not responded to the Division's request for information.

### **PROPOSED AGENCY ACTION**

The Division proposes to suspend the Respondent's MLO license in Montana.

### **NOTICE OF OPPORTUNITY FOR HEARING**

Notice is hereby given that pursuant to Mont. Code Ann. § 32-9-133, the Respondent has a right to an administrative hearing as provided in the Montana Administrative Procedures Act (Title 2, Chapter 4, Part 6 of the Montana Code Annotated) to contest the Division's proposed agency action. Respondent has the right to be represented by counsel at the hearing and related proceedings. To exercise the right to a hearing Respondent must make a timely written request for hearing within **14 days** of receipt of this Notice and mail or deliver the request to:

Banking and Financial Institutions Division  
301 South Park, Suite 316  
P.O. Box 200546  
Helena, MT 59620-0546

### **POSSIBILITY OF DEFAULT**

Failure to make a written request for hearing within 14 days of receipt of this Notice or to otherwise timely defend as provided by law may result in entry of Respondent's default without

further prior notice and a final order shall thereafter issue providing for such relief and imposing such penalties as are appropriate and authorized by Mont. Code Ann. §§ 32-9-126 and 32-9-133.

The Division will post a copy of any final order or decision in this matter to the NMLS under regulatory actions which will be viewable by regulators and the public.

DATED 28<sup>th</sup> day of April, 2022.

By: /S/ Terri Hogan  
Terri Hogan, Legal Counsel

**CERTIFICATE OF SERVICE**

I hereby certify that on April 28, 2022, the undersigned caused a true and accurate copy of the foregoing Notice of Proposed Suspension of License and Opportunity for Administrative Hearing to be mailed by U.S. certified mail number [REDACTED] to:

JEREMY PAUL ARNDT  
[REDACTED]  
[REDACTED]

[REDACTED]  
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Heather K. Hardman, Paralegal