

1 MARY ANN SMITH  
Deputy Commissioner  
2 DANIEL P. O'DONNELL  
Assistant Chief Counsel  
3 PAUL YEE (State Bar No. 142381)  
Senior Counsel  
4 Department of Business Oversight  
One Sansome Street, Suite 600  
5 San Francisco, California 94104-4448  
Telephone: (415) 972-8544  
6 Facsimile: (415) 972-8500

7 Attorneys for the Complainant

8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of: ) NMLS NO.: 344019  
)  
12 THE COMMISSIONER OF BUSINESS ) ORDER REVOKING MORTGAGE LOAN  
OVERSIGHT, ) ORIGINATOR LICENSE  
13 )  
14 Complainant, )  
)  
15 v. )  
)  
16 ALLEN SUE, )  
)  
17 Respondent. )  
18 )

19  
20 The Commissioner of Business Oversight (Commissioner) finds:

21 1. Respondent Allen Sue (Sue) is a mortgage loan originator licensed by the  
22 Commissioner pursuant to California Financing Law (Fin. Code § 22000 et seq.) and California  
23 Residential Mortgage Lending Act (Fin. Code § 50000 et seq.).

24 2. Sue's mortgage loan originator license (MLO) was first issued by the Commissioner  
25 on November 23, 2010.

26 3. On September 5, 2017, Sue filed an application for renewal of his MLO license with  
27 the Commissioner pursuant to Financial Code section 50140. The application was for approval of  
28 employment with or working on behalf of Platinum Home Mortgage Corporation located at 175

1 Bernal Road, San Jose, California. The application was submitted to the Commissioner by  
2 filing Form MU4 through the Nationwide Mortgage Licensing System Registry (NMLS). The  
3 application was approved, and Sue’s mortgage loan originator license was renewed on November  
4 17, 2017.

5 3. In submitting his application, Sue answered “No” to question (Q) under the heading  
6 “Termination Disclosure” which asks the following:

7 (Q) Have you ever voluntarily resigned, been discharged, or permitted to  
8 resign after allegations were made that accused you of:

9 (1) violating statute(s), regulation(s), rule(s), or industry standards of  
10 conduct?

11 (2) fraud, dishonesty, theft, or the wrongful taking of property?

12 4. In submitting his application, Sue attested that the answers were true and complete to  
13 the best of his knowledge.

14 5. After Sue’s mortgage loan originator application was approved, the Commissioner  
15 discovered that Sue was involuntarily terminated for falsification of records from a prior job as a  
16 mortgage loan originator for Envoy Mortgage in San Jose, California on April 8, 2016.

17 6. Envoy Mortgage alleged in terminating Sue on April 8, 2016 that Sue acted in  
18 concert with another Envoy Mortgage employee, Elizabeth Alejo, to coerce money from a mortgage  
19 loan applicant in a scheme to create false income documentation used in a mortgage loan decision  
20 for that applicant. Envoy Mortgage classified the termination as involuntary. Further, Envoy  
21 Mortgage alleged that Sue was operating other businesses in conflict with Envoy Mortgage’s  
22 business. These acts were in violation of Envoy Mortgage’s policies, and with regards to falsifying  
23 documents, also fraudulent.

24 7. Financial Code section 50327 provides that the Commissioner may revoke a MLO  
25 license if the Commissioner finds that any fact or condition exists that, if it had existed at the time  
26 of the original application for the license, reasonably would have warranted the Commissioner in  
27 refusing to issue the license originally. Similarly, Financial Code section 50513 authorizes the  
28 Commissioner to revoke a mortgage loan originator license if the licensee fails to meet the  
requirements of Financial Code section 50141.

1           8.       Financial Code section 50141 requires the Commissioner to deny an application for  
2 a mortgage loan originator license if the Commissioner cannot find that the applicant “has  
3 demonstrated such financial responsibility, character, and general fitness as to command the  
4 confidence of the community and to warrant a determination that the mortgage loan originator will  
5 operate honestly, fairly, and efficiently within the purposes of the division.”

6           9.       The Commissioner finds that Sue’s involuntarily termination from his job at Envoy  
7 Mortgage is the type of termination that he was required to disclose in response to the mortgage  
8 loan originator application, question Q. Sue falsely answered question Q and did not disclose his  
9 involuntary termination from Envoy Mortgage.

10          10.       Furthermore, the Commissioner finds that the foregoing circumstances, including the  
11 fact that Sue falsely answered question Q to the mortgage loan originator application and was  
12 involuntarily terminated for falsification of records, if known at the time of the filing of his  
13 mortgage loan originator application on September 19, 2017, would have warranted denial of the  
14 license application under Financial Code section 50141. Accordingly, grounds exist under  
15 Financial Code sections 50327 and 50513 to revoke the license of Allen Sue.

16          11.       On May 8, 2018, the Commissioner issued an Accusation to Revoke Mortgage Loan  
17 Originator License pursuant to Financial Code sections 50327, 50141 and 50513 and notice of  
18 Intention to Issue Order Revoking Mortgage Loan Originator License with accompanying  
19 documents against Sue.

20          12.       Sue was served with the Accusation and those accompanying documents on May 9,  
21 2018 via certified, return receipt mail at his licensed location on file with the Commissioner. The  
22 return receipt was signed on May 11, 2018. Further, on July 9, 2018, Department of Business  
23 Oversight investigator Jennifer Marks personally served a copy of the Accusation and  
24 accompanying documents on an adult living at the address Sue listed with the Commissioner. On  
25 July 26, 2018, Investigator Marks via certified mail, served another copy of the Accusation and  
26 accompanying documents on Sue at the same address.

27          13.       The Commissioner has received no request for hearing from Sue, and the time to  
28 request a hearing has expired.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the mortgage loan originator license issued by the Commissioner to Allen Sue is revoked. This order is effective as of the date hereof.

Dated: October 3, 2018  
San Francisco, California

JAN LYNN OWEN  
Commissioner of Business Oversight

By \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division