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Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:) NMLS NO.: 1853489
)
THE COMMISSIONER OF BUSINESS)
OVERSIGHT,)
) STATEMENT OF ISSUES
Complainant,)
)
v.)
)
KELLY THUY LE,)
)
Respondent.)
)
)
)

The Commissioner of Business Oversight (Commissioner) is informed and believes, and based upon such information and belief, alleges and charges as follows:

I.

Introduction

1. The Commissioner, as the head of the Department of Business Oversight (Department) is authorized to administer and enforce the provisions of the California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et seq.) and the rules and regulations

1
2 an MLO.

3 8. Applicants must disclose prior employment. Le represented that she was
4 unemployed from November 2016 through December 2016.

5 9. This statement was false. Le failed to disclose her employment at the medical spa
6 from January 2016 through December of 2016, to conceal her employment termination and
7 misdemeanor grand theft conviction.

8 10. Le answered “No” to the following questions on the application:

9 a. Question H(1) - “Have you ever been convicted of or pled guilty or nolo
10 contendere (‘no contest’) in a domestic, foreign, or military court to committing
11 or conspiring to commit a misdemeanor involving: (i) financial services or a
12 financial services-related business, (ii) fraud, (iii) false statements or omissions,
13 (iv) theft or wrongful taking of property, (v) bribery, (vi) perjury, (vii) forgery,
14 (viii) counterfeiting, or (ix) extortion?”

15 b. Question Q1 - “Have you ever voluntarily resigned, been discharged, or
16 permitted to resign after allegations were made that accused you of . . . fraud,
17 dishonesty, theft or the wrongful taking of property?”

18 11. The attestation clause in the application states, “[i]f the Applicant has knowingly
19 made a false statement of a material fact in this application or in any documentation provided to
20 support the foregoing application, then the foregoing application may be denied.”

21 12. Le verified, under penalty of perjury, that the application was correct on May 21,
22 2019, and submitted the application to the Department for review on May 22, 2019.

23 13. On May 31, 2019, Le amended her application to change her response to criminal
24 misdemeanor disclosure question H(1) from “no” to “yes.” Le stated that the misdemeanor
25 occurred because she was “at the wrong place at the wrong time.”

26 14. On June 4, 2019, the Commissioner’s examiner created a licensing item in NMLS,
27 instructing Le to: correct the responses to the disclosure questions; explain, in detail, the previous
28 misdemeanor; upload any applicable legal documentation to the system; and explain why the

1 October 26, 2018 arrest was not disclosed.

2 15. On June 14, 2019, Le amended her application. Le admitted that she stole from her
3 employer, was convicted of a misdemeanor grand theft, and was terminated from employment.

4 **III.**

5 **Applicable Law**

6 16. Financial Code section 50141 provides in relevant part:

7 (a) The commissioner shall deny an application for a mortgage loan
8 originator license unless the commissioner makes at a minimum the
9 following findings:

10 *****

11 (3) The applicant has demonstrated such financial responsibility,
12 character, and general fitness as to command the confidence of the
13 community and to warrant a determination that the mortgage loan
14 originator will operate honestly, fairly, and efficiently within the
15 purposes of this division.

16 *****

17 (b) Before denying a license under this section, the commissioner shall
18 proceed as prescribed by Chapter 5 (commencing with Section 11500)
19 of Part 1 of Division 3 of Title 2 of the Government Code and shall
20 have all the powers granted under that chapter.

21 **IV.**

22 **Conclusion**

23 The Commissioner finds that Le does not meet at least one of the minimum requirements for
24 the issuance of a mortgage loan originator license as provided by Financial Code section 50141. Le
25 made numerous misrepresentations on her licensing application and was convicted of grand theft
26 for stealing from her employer. Le has not demonstrated the financial responsibility, character, and
27 general fitness necessary to command the confidence of the community and to warrant a
28 determination that she will operate honestly, fairly, and efficiently as a mortgage loan originator
under the CRMLA and Financial Code section 50141, subdivision (a)(3).

Therefore, Financial Code section 50141 mandates that the Commissioner must deny Kelly
Thuy Le's request for a mortgage loan originator license.

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WHEREFORE IT IS PRAYED that the mortgage loan originator license application filed by Kelly Thuy Le be denied.

Dated: September 13, 2019
Los Angeles, CA

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
Danielle A. Stoumbos
Senior Counsel