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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

In re Mortgage Loan Originator License  
Application of:

SUSANNA KATHLEEN PETERSON,  
NMLS ID No.1039251,

Applicant.

Docket No. 2024-16-13

**ORDER DENYING MORTGAGE  
LOAN ORIGINATOR LICENSE  
APPLICATION AND NOTICE OF  
THE OPPORTUNITY TO APPEAL**

The Director of the State of Idaho, Department of Finance (“Department”), pursuant to Idaho Code §§ 26-31-306(1)(d); 26-31-306(1)(h); 26-31-313(1)(a) and/or 26-31-313(1)(b) of the Idaho Residential Mortgage Practices Act (“Act”), hereby issues this Order Denying Mortgage Loan Original Application and Notice of Opportunity to Appeal (“Order”). The applicant may appeal this Order and have a hearing on her qualifications for a license, if the applicant makes a written request within fifteen (15) days of the mailing of this Order.

**FINDINGS OF FACT**

1. Susanna Kathleen Peterson (“Applicant”), a resident of the state of California, applied for an Idaho Mortgage Loan Originator (“MLO”) license through the online Nationwide Mortgage

Licensing System and Registry (“NMLSR”) under NMLS No. 1039251. This application was attested to by the Applicant on July 23, 2024, and submitted by Michael Banner Rhyne of Zenta Mortgage Services, LLC on the same date.

2. The application Form MU4 seeks information on an applicant’s qualifications to be licensed as an MLO, and the “Disclosure Questions” section specifically requests information pertaining to an applicant’s financial, criminal, civil, judicial, and regulatory history.

3. In response to disclosure question (A)(1), “Have you filed a personal bankruptcy petition or been the subject of an involuntary bankruptcy petition within the past 10 years?” the Applicant responded, “Yes.”

4. Under the Disclosure Explanations of the Application, Applicant disclosed that she “filed a Chapter 13 personal bankruptcy in 2005 which was converted into a chapter 7 bankruptcy. This was due to having bought a new home in 2005 while unable to sell current home....” There was no mention of any other bankruptcy filing.

5. As part of its regular application review under Idaho Code § 26-31-316, the Department obtained a public records background check through LexisNexis on July 29, 2024 to determine the Applicant’s fitness to be licensed.

6. The report showed the Applicant had also filed a Chapter 7 Bankruptcy in the U. S. Bankruptcy Court in the Eastern District of California on July 17, 2020 (Case No. 20-23520). The Department confirmed the bankruptcy filing through the Public Access to Court Electronic Records (PACER) website ([www.pacer.uscourts.gov](http://www.pacer.uscourts.gov)).

7. On July 29, 2024, the Department informed the Applicant that it had obtained public records information showing an additional the bankruptcy filing that required disclosure on Question (A)(1) of the Form MU4. The Department provided notice of intent to deny the

application in four (4) weeks based on the inaccurate application. The Applicant was also provided the opportunity to withdraw the application and reapply with a corrected application. The Applicant did not respond.

### **FINDINGS AND CONCLUSIONS OF LAW**

8. The allegations set forth in paragraphs 1 through 7 above are fully incorporated herein by this reference.

9. An individual must be licensed to engage in the business of an MLO. Idaho Code § 26-31-304. An applicant must apply for the license through the NMLSR in a form required by the Director of the Idaho Department of Finance (“Director”). Idaho Code § 26-31-304.

10. To obtain a license, the applicant must provide and make complete disclosure of the information requested on the application. Idaho Code § 26-31-305(10); Idaho Code § 26-31-306(1)(h).

11. The Director may deny a license if an applicant withholds information or makes a material misstatement in an application for a license, or otherwise violates the Act. Idaho Code §§ 26-31-313(1)(a) and 26-31-313(1)(b). The Applicant made a material misstatement of fact in her application by failing to disclose her 2020 bankruptcy filing in the answer to question “A(1)”.

12. The Director shall not issue an MLO license unless the Director first finds that the applicant has provided all information required on the application and has “demonstrated financial responsibility, character, and general fitness sufficient to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently ....” Idaho Code § 26-31-306(1)(d) and 26-31-306(h).

13. Due to the Applicant’s failure to disclose her 2020 bankruptcy filing on the Form MU4, the Director cannot make the requisite findings under Idaho Code §§ 26-31-306(1)(d) and 26-31-

306(h) and finds it is appropriate to deny the Applicant's request for the MLO license, pursuant to Idaho Code § 26-31-313(1).

**ORDER**

**NOW, THEREFORE, BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, AND PURSUANT TO IDAHO CODE §§ 26-31-313(1)(a) and (b), IT IS HEREBY ORDERED THAT THE APPLICATION FOR A MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION ATTESTED TO AND SUBMITTED BY SUSANNA KATHLEEN PETERSON, NMLS #1039251, ON JULY 23, 2024, IS DENIED.**

**NOTICE OF THE OPPORTUNITY TO APPEAL**

14. The Applicant is HEREBY NOTIFIED that she may appeal from this ORDER and have a hearing on her qualifications for a license. Such appeal must be in writing and submitted to the Department within fifteen (15) days after the date of service of this Order.

15. A copy of the request must be served **via mail OR via email** as follows:

Attn: Lisa Baker  
Assistant to the Director  
Idaho Department of Finance  
P.O. Box 83720  
Boise, Idaho 83720-0031

[Lisa.Baker@finance.idaho.gov](mailto:Lisa.Baker@finance.idaho.gov)

A copy of the request may also be served on the Department's counsel, Amber K. Kauffman, Deputy Attorney General, at [amber.kauffman@ag.idaho.gov](mailto:amber.kauffman@ag.idaho.gov).

16. If the Applicant timely appeals this action, the Department will assign the contested case proceeding to the Office of Administrative Hearings pursuant to Idaho Code § 67-5280(2)(a). Proceedings will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201 *et seq.* and the Idaho Rules of Administrative Procedure (IDAPA 04.11.01).

17. Pursuant to Idaho Code § 26-31-305(6), if a hearing is held, the Applicant shall reimburse the Director, pro rata, for her reasonable and necessary expenses incurred as a result of the hearing.

**IT IS SO ORDERED.**

DATED this 10<sup>th</sup> day of September 2024.

STATE OF IDAHO  
DEPARTMENT OF FINANCE



  
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PATRICIA R. PERKINS, Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 10<sup>th</sup> day of September 2024, I caused a true and correct fully executed copy of the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION AND NOTICE OF THE OPPORTUNITY TO APPEAL to be served on the following by the designated means:

Susanna Kathleen Peterson  
6252 Summerset Lane  
Citrus Heights, CA 95621

- U.S. Mail, Postage Paid
- Certified mail
- Facsimile
- Email: [susanna.peterson@accenture.com](mailto:susanna.peterson@accenture.com)

  
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Ailen Evaniuck  
Paralegal