

**COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2011-AH-0043**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

DANIELLE MARIE JOHNSON

RESPONDENT

**ORDER DENYING APPLICATION FOR  
MORTGAGE LOAN PROCESSOR REGISTRATION**

\* \* \* \* \*

Comes now the Commonwealth of Kentucky, by and through the Commissioner of the Department of Financial Institutions (“DFI”), and hereby enters this **Order Denying Application for Mortgage Loan Originator Registration** of Danielle Marie Johnson (“Respondent”). In support, the DFI states as follows:

**FINDINGS OF FACT**

1. The DFI is responsible for regulating and licensing mortgage loan brokers, mortgage loan companies, mortgage loan originators, and mortgage loan processors in accordance with the provisions set forth in KRS Chapter 286.8, the Mortgage Licensing and Regulation Act (the “Act”).

2. Respondent has applied for registration as a mortgage loan processor, pursuant to KRS 286.8-255. Her Nationwide Mortgage Licensing System and Registry number is 405436.

3. During the course of reviewing Respondent’s application information, the DFI determined that Respondent did not demonstrate sufficient financial responsibility to ensure compliance with the registration requirements of KRS 286.8-255(9)(c) and 808 KAR 12:021(5).

4. On July 1, 2011, the DFI mailed a letter to Respondent requesting that she provide additional information about and an explanation of her financial responsibility within ten (10) days thereafter, and warning that failure to respond will result in the denial of her application for registration.

5. On or about July 1, 2011, the DFI received a facsimile printout of Respondent's list of creditors in connection with a recent bankruptcy, without any direct response from or other explanation by Respondent.

6. On December 8, 2011, the DFI mailed a letter to Respondent via first class mail to her last known address, the address on her application. This letter advised Respondent that her financial information reflected grounds for denial of her application for registration and offered Respondent an additional fourteen (14) days within which to respond or else her application for registration would be denied. This letter further advised Respondent that her failure to respond as directed and to provide the information requested may also constitute grounds for the denial of her application.

7. In addition, the DFI send a copy of its December 8, 2011 letter to Respondent via electronic mail ("e-mail") at her address on record with the DFI on December 8, 2011. On that same date, the DFI received an electronic receipt confirming that Respondent both received and read said e-mail.

8. However, the DFI received no response from Respondent.

#### **STATUTORY AUTHORITY**

9. No person shall transact business in Kentucky as a mortgage loan originator or a mortgage loan processor unless that person is registered with the DFI, has been issued a current certificate of registration by the DFI, and complies with all the

applicable requirements of KRS Chapter 286.8. *See* KRS 286.8-255(1); *See Also* KRS 286.8-030(1)(c).

10. Pursuant to KRS 286.8-255(9)(c), “No mortgage loan originator or mortgage loan processor shall be granted or shall be entitled to maintain a certificate of registration unless he or she satisfies the following minimum standards for registration: ...The applicant has demonstrated financial responsibility, character, and general fitness such as to command the confidence of the community and to warrant a determination that the loan originator or loan processor will operate honestly, fairly, lawfully, and efficiently within the purposes of the subtitle.”

11. Pursuant to 808 KAR 12:021(7), “If any applicant fails to provide or respond to a request for additional information within ninety (90) days of submission to the department, the application shall be abandoned.”

12. Pursuant to KRS 286.8-090(1), “The executive director may...refuse to issue or renew a license, registration or exemption...if the executive director finds that the person, applicant, licensee, or registrant:

(a) Does not meet, no longer meets, or has failed to comply with the requirements of this subtitle; ...[or]

(p) Has abandoned an application by failing to provide the executive director any information required under this subtitle, or requested by the executive director, to complete an application.

13. Pursuant to KRS 286.8-044(1), “Notice of entry of any order of suspension or denial of a license, registration, or claim of exemption to any applicant, registrant, or licensee shall be given in writing and served personally or sent by certified mail to the last known address of the person affected. The affected person, upon timely written request to the executive director, shall be entitled to a hearing in accordance with the

provisions of KRS Chapter 13B; but if no written request is received within twenty (20) days of service of the notice, the executive director shall enter a final order suspending or denying the license or registration.”

14. Pursuant to KRS 286.8-044(3), service by certified mail shall be complete upon the earlier of the following:

- (a) The date on which the person receives the mail;
- (b) The date on which the agency receives the return receipt; or
- (c) The date on which the agency receives notice that the mail has been returned undelivered.

### CONCLUSIONS

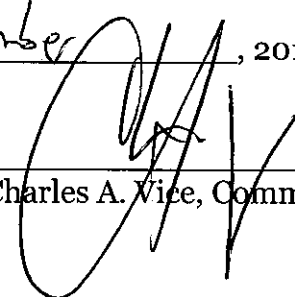
15. Respondent has not demonstrated financial responsibility, character, and general fitness such as to command the confidence of the community and to warrant a determination that the loan originator or loan processor will operate honestly, fairly, lawfully, and efficiently within the purposes of the Act, pursuant to KRS 286.255(9)(c).

16. In addition, Respondent has abandoned her application for registration by failing to provide or respond to a request for additional information made on the Commissioner’s behalf under the Act in order to complete said application.

### ORDER

Based on the findings of fact, statutory authority, conclusions set forth above, the Commissioner **ORDERS** that the application of Respondent Danielle Marie Johnson for a certificate of registration as a mortgage loan processor is **DENIED**.

Executed on the 22<sup>nd</sup> day of December, 2011.

  
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Charles A. Vice, Commissioner

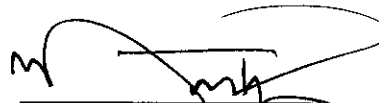
**NOTICE OF RESPONDENT'S RIGHTS**

1. The Commissioner of the Kentucky Department of Financial Institutions has entered an Order denying your application for a certificate of registration.
2. You have the right to request a hearing in this matter and have the right to be represented by legal counsel at all stages of these proceedings.
3. You are hereby notified that you must request a hearing with the DFI within twenty (20) days of service of this Order. If so requested, an administrative hearing shall be held pursuant to the provisions of KRS Chapter 13B and 808 KAR 12:030. If a hearing request is not filed within twenty (20) days, DFI shall seek a final order from the Commissioner denying the application for certificate of registration as a mortgage loan originator.

**Certificate of Service**

I hereby certify that a copy of the foregoing **Order Denying Application for Mortgage Loan Processor Registration** was sent by certified mail, return receipt requested, and by first class mail, on this the 22<sup>nd</sup> day of December, 2011 to:

Danielle Marie Johnson  
22180 Avon  
Oak Park, Michigan 48237



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