

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2013-AH-0126

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

**FINAL ORDER DENYING MORTGAGE  
ORIGINATOR REGISTRATION**

JONATHAN A. HARRIS

RESPONDENT

\* \* \* \* \*

This matter is before the Commissioner of the Department of Financial Institutions (“DFI”), pursuant to KRS 286.8-044. The Commissioner hereby enters this **Final Order** denying Jonathan A. Harris (“Respondent”) mortgage loan originator registration, pursuant to KRS Chapter 286.8.

**FINDINGS OF FACTS**

1. DFI is responsible for regulating and licensing mortgage loan originators in accordance with the provisions of KRS Chapter 286.8. No person shall transact business in Kentucky as a mortgage loan originator, unless that person is registered with 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).

2. Respondent has applied to become a loan originator in Kentucky, pursuant to KRS 286.8, on June 10, 2013.

3. A mortgage loan originator cannot be granted a certificate of registration if the loan originator has pled guilty to a felony involving fraud, dishonesty, breach of trust, or money laundering, per requirements of KRS Chapter 286.8 *See* KRS 286.8-255(9)b2.

4. On January 25, 2010, the respondent, in 08-CR-0139, pled guilty to Criminal Possession of a Forged Instrument II (multiple counts) and Theft by Deception (multiple counts). Both are class D felonies involving fraud and dishonesty. The respondent entered into a diversion agreement with the state. The respondent is currently still on diversion with the state for the above offenses.

5. On June 18, 2013 DFI, by counsel, filed an Administrative Complaint to deny Respondent's application for originator registration. The Administrative Complaint was sent via certified mail, return receipt requested to Respondent's last known address, 744 South Indiana Avenue, Sellersburg, Indiana 47172. The mail was signed for on June 19, 2013 at the above address. The Administrative Complaint explained that the Respondent must file an answer to the Complaint, including a request for hearing, within twenty (20) days of service. The Administrative Complaint also explained that if a request for hearing was not received within 20 days, DFI would seek a Final Order from the Commissioner granting the relief requested in the Complaint.

6. More than twenty (20) days has passed and the Respondent did not timely request an administrative hearing.

7. After having considered all the relevant facts and circumstances and the available remedies, the Respondent's registration should be denied

#### **STATUTORY AUTHORITY**

1. Pursuant to KRS 286.8-255(9) b(1)&(2), "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 not been convicted of, pled guilty to, or pled nolo contendere to a felony in any domestic, foreign, or military court: 1. During the seven (7) year period preceding the date of the application for registration or renewal of registration; or 2. At any time preceding such date of application for registration or renewal of registration, if such felony involved an act of fraud or dishonesty, a breach of trust, or money laundering.

2. KRS 286.8-090(1) The commissioner may suspend; revoke; place on probation; condition; refuse to issue or renew a license, registration, or exemption; or accept surrender of a license, registration, or exemption in lieu of revocation or suspension; or issue a cease and desist order if the commissioner 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;

3. Pursuant to KRS 286.8-044(2), DFI can file an administrative complaint against any person if it appears that the person is in violation of KRS 286.8-090.

4. KRS 286.8-044(2) states in pertinent part, "The Commissioner shall serve the administrative complaint by certified mail or personal delivery to the last known address of the person named in the complaint. The person named in the administrative complaint shall be entitled to a hearing, but only upon timely receipt of a written answer and request for a hearing within twenty (20) days of the service or hand delivery of the administrative complaint."

5. KRS 286.8-044(3) explains that service by certified mail is 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 OF LAW

1. Respondent is in violation of KRS 286.8-255(9)b2
2. In addition, the Respondent does not meet the requirements of KRS Chapter 286.8. *See* KRS 286.8-090(1)(a).
3. Therefore, his application for a mortgage loan originator must be denied.
4. The Respondent was properly served the Complaint pursuant to KRS 286.8-044(2) by serving the Respondent via certified mail at the last known address of the Respondent. Service by certified mail is complete pursuant to KRS 286.8-044(3).
5. Respondent failed to timely respond to the Administrative Complaint or request a hearing within twenty (20) days of service. Thus, the Respondent has not perfected his appeal and his right to a hearing is waived in this matter.

**ORDER**

Based on the Findings of Fact, Statutory Authority, and Conclusions of Law set forth above, the Commissioner **ORDERS** that the mortgage loan originator application of Respondent Jonathan Andrew Harris is **DENIED**.

Executed on the 2 day of August, 2013.

A handwritten signature in cursive script that reads "Steve B. for Charles A. Vice". The signature is written in black ink and is positioned above the printed name and title of the Commissioner.

Charles A. Vice, Commissioner  
Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, 40601

This is a **FINAL AND APPEALABLE ORDER**. This Final Order shall become effective upon completion of service as set forth in KRS 286.8-044. This Order shall remain in effect until withdrawn by further Order of the Commissioner or modified by Court Order.

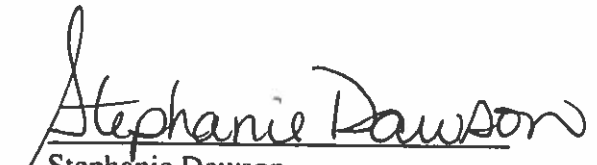
**NOTICE OF APPEAL RIGHTS**

Pursuant to KRS 286.8-210, you are hereby notified that you have the right to appeal this Final Order of the Commissioner. If you chose to appeal, you must file a written Notice of Appeal with the Franklin Circuit Court within sixty (60) days after completion of service of this Final Order. A copy of any Appeal Petition must also be served on the Commissioner.

**Certificate of Service**

I hereby certify that a copy of the foregoing **Final Order** was sent by certified mail to, return receipt requested, on this the 8<sup>th</sup> day of August, 2013 to:

Jonathan A. Harris  
744 South Indiana Avenue  
Sellersburg, Indiana 47172

  
Stephanie Dawson  
Stephanie Dawson  
Department of Financial Institutions