

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2010-AH-1093**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

KEITH FENTON

RESPONDENT

**FINAL ORDER DENYING APPLICATION FOR
MORTGAGE LOAN ORIGINATOR REGISTRATION**

* * * * *

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

FINDINGS OF FACT

1. The Department of Financial Institutions (“DFI”) is the agency of Kentucky state government charged with administering the provisions of the Mortgage Loan Company and Mortgage Loan Broker Act (“Act”), KRS Chapter 286.8, and the rules and regulations and orders enacted pursuant to the Act.
2. Fenton applied for a certificate of registration as a mortgage loan originator pursuant to KRS 286.8-255.
3. Fenton’s application disclosed that he pled guilty to a violation of federal statute 18 U.S.C. §656, theft, embezzlement, or misapplication by bank officer or employee which is a felony.
4. The DFI entered an Order denying Application for Mortgage Loan Originator Registration (“Denial Order”) on August 5, 2010. A copy of the Denial Order was sent to Fenton

and Fenton's attorney by certified mail return receipt requested. Fenton received the Denial Order on August 24, 2010 and his attorney received it on August 12, 2010.

5. Fenton did not request a hearing.

STATUTORY AUTHORITY

6. No person shall transact business in Kentucky as a mortgage loan originator, unless that person is registered with 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).

7. 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."

8. KRS 286.8-255(9)(b)2 prohibits a certificate of registration from being granted to a mortgage loan originator unless the applicant, "...has not been convicted of, pled guilty to, or pled nolo contendere to a felony in any domestic, foreign, or military court: at any time preceding the 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."

9. KRS 286.8-255(9)(c) prohibits a certificate of registration from being granted to a mortgage loan originator unless 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."

10. In addition, KRS 286.090(1) states that the DFI may deny a registration if the applicant:

(k) Has been convicted of any misdemeanor of which an essential element is fraud, breach of trust, or dishonesty, or any felony, or has pending against him any felony charge;

CONCLUSIONS OF LAW

Based on the evidence presented, the Commissioner finds that:

11. Fenton pled guilty to a felony involving an act of fraud, dishonesty, and a breach of trust.

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

13. The Commissioner further finds that the Denial Order was served on Fenton at his last known address.

14. Fenton failed to timely request a hearing within twenty (20) of service. Thus, Fenton has not perfected his appeal and his right to a hearing is waived in this matter.

ORDER

Based on the statements of fact, statutory authority, and findings set forth above, the Commissioner **ORDERS** that the application of Respondent Keith Fenton for a certificate of registration as a mortgage loan originator is **DENIED**.

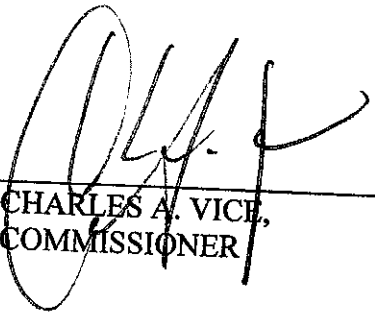
This is a **FINAL ORDER**.

This **ORDER** shall become effective upon completion of service as set forth in KRS 13B-050(2).

NOTICE OF APPEAL RIGHTS

Pursuant to KRS 13B.140, you are hereby notified that you have the right to appeal this Final Order of the Commissioner. If you choose to appeal, you must file a written Notice of Appeal with the Franklin Circuit Court within thirty (30) days after entry of this Order.

IT IS SO ORDERED on this the 24th day of September 2010.



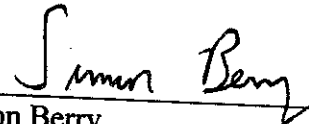
CHARLES A. VICE,
COMMISSIONER

Certificate of Service

I hereby certify that a copy of the foregoing **Final Order Denying Application for Mortgage Loan Originator Registration** was sent by certified mail to, return receipt requested, on this the 27 day of September, 2010 to:

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