

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2017-AH-00069



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

LINCOLN TYLER LATHAM

RESPONDENT

**AGREED ORDER**

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing mortgage loan companies and brokers, and regulating and registering mortgage loan originators in accordance with the provisions set forth in KRS Chapter 286.8 and applicable regulations.

2. Respondent was a registered mortgage loan originator (NMLS # 425753) from December 2016 to March 2018. On March 12, 2018, Mr. Latham’s mortgage loan originator license was cancelled after he lost his sponsorship due to an employment separation from his most recent employer.

3. The Respondent was employed as a mortgage loan originator at First Security Bank, Inc. (“First Security Bank”), from February 2015 to August 2016. Under KRS 286.8-290(1)(a)(1), Mr. Latham was exempt from the registration and regulatory requirements of KRS 286.8-255 during his employment with First Security Bank.

4. On January 24, 2017, DFI was contacted by First Security Bank regarding Mr. Latham. First Security Bank stated that while he was in their employ, Mr. Latham had falsified mortgage documents that were used in the mortgage lending process. First Security Bank further

stated that Mr. Latham had been terminated from their employment on August 20, 2016, as a result of this conduct.

5. On March 7, 2017, DFI conducted an interview of Mr. Latham. In this interview, Mr. Latham admitted that his responses to questions on his December 2016 NMLS application regarding this termination were false or misleading.

6. Pursuant to KRS 286.8-220(1) it shall be unlawful for any person to make, or cause to be made, in any document filed with the commissioner, a government agency, the Nationwide Mortgage Licensing System and Registry, or any proceeding under this subtitle, any statement that is, at the time and in light of the circumstances under which it is made, false or misleading in any material respect.

7. Pursuant to KRS 286.8-220(2)(i), it shall be unlawful for any person, in connection with a transaction involving the mortgage lending process, or in connection with the operation of a mortgage loan business or the management or servicing of mortgage loans, directly or indirectly, to fail to comply with state or federal laws, including the rules and regulations thereunder, that are applicable to transacting business in Kentucky.

8. Pursuant to KRS 286.8-090(1)(n) the Commissioner may suspend or revoke the registration of a registrant if that registrant has demonstrated incompetence or untrustworthiness to act as a licensee or registrant.

9. DFI possesses a range of administrative authority in addressing violations of the Act, including registration revocation or denial, the imposition of fines in an amount up to \$25,000 per violation, and settlement. *See* KRS 286.8-090 and KRS 286.8-046.

10. Respondent, in the interest of economically and efficiently resolving this matter, agrees as follows:

- a. Respondent violated the provisions of KRS 286.8-220(1);
- b. Respondent violated the provisions of KRS 286.8-220(2)(i);
- c. Respondent violated the provisions of KRS 286.8-090(1)(n); and
- d. Respondent agrees to pay a civil penalty assessment in the amount of five thousand dollars (\$5,000.00) for the violation described herein.

e. Respondent agrees to pay the fine in five (5) monthly installments of \$1,000 each. The first installment shall be due upon entry of the Agreed Order. All remaining installments shall be due on or before the thirtieth (30<sup>th</sup>) day of each subsequent month. All payments shall be in the form of a certified check or money order made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Non Depository Division, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601. Failure to do so shall render the Agreed Order void.

f. Respondent agrees to voluntarily surrender his registration (NMLS # 425753) in lieu of revocation.

g. Respondent will be barred from submitting an application for registration under KRS 286.8 for three (3) years from the date of entry of this Agreed Order.

11. Respondent waives his right to demand a hearing at which he would be entitled to legal representation, to confront and cross-examine witnesses, and to present evidence on his own behalf, or to otherwise appeal or set aside this Agreed Order.

12. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

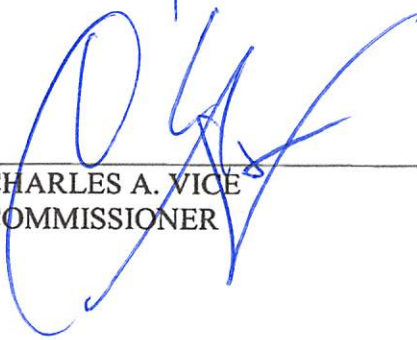
13. In consideration of execution of this Agreed Order, Respondent for himself, and for his successors and assigns, hereby releases and forever discharges the Commonwealth of

Kentucky, DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

14. By signing below, Respondent acknowledges he has read the foregoing Agreed Order and knows and fully understand its contents.

15. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 4<sup>th</sup> day of September, 2018.

  
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CHARLES A. VICE  
COMMISSIONER





**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 4 day of September, 2018, by certified mail, return receipt requested, to:

Lincoln Tyler Latham  
4071 King Road  
Philpot, KY 42366

And

Hon. Christopher Bush  
Ricketts Law Office  
4055 Shelbyville Rd.  
Louisville, KY 40207  
*Counsel for Respondent*

Via hand-delivery to:

Kathryn Adams Cornett  
1025 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601  
Attorney for Complainant

Kentucky Department of Financial Institutions

Name: Alicia Sibau

Title: Executive Staff Advisor