

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2008-AH-260

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

FINAL ORDER
REVOKING REGISTRATION

PATTI A. CLARK

RESPONDENT

Statement of Facts

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

2. Ms. Clark is registered with DFI as a loan originator pursuant to KRS 286.8-255.

3. On July 30, 2008, the S.A.F.E. Mortgage Licensing Act, PL 110-289, 122 Stat. 2654 (the “Act”) was enacted into law.

4. Pursuant to the Act, an individual may not engage in the business of a loan originator without first obtaining a registration as a State-licensed loan originator. Sec. 1504.

5. Section 1505(b) of the Act states that the “minimum standards for licensing and registration as a State-licensed loan originator shall include” not having been convicted of a felony “at any time preceding such date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.”

6. Ms. Clark disclosed on her application that she had been convicted of felony bank fraud in 1999.

7. In light of the above conviction, Ms. Clark no longer meets the minimum standards for registration as a loan originator pursuant to the Act.

8. On September 5, 2008, DFI sent Ms. Clark a letter informing her of the above and allowing her an opportunity to voluntarily surrender her registration. The letter was unclaimed.

9. On October 8, 2008, DFI filed an Administrative Complaint against Respondent seeking revocation of Respondent's registration as a mortgage loan originator in the Commonwealth of Kentucky. Respondent failed to claim the complaint, and therefore no hearing was requested in this matter.

Statutory Authority

1. Pursuant to KRS 286.8-255(7), all mortgage loan originators and mortgage loan processors shall be subject to all applicable provisions of KRS Chapter 286.8.

2. Pursuant to KRS 286.8-090(1)(k), the commissioner has discretion to revoke any registration if the commissioner finds that the registrant has been convicted of any felony.

3. Pursuant to KRS 286.8-090(1)(c), the commissioner may revoke any registration if the commissioner finds that the registrant does not conduct business in accordance with law or the method of business includes or would include activities which are illegal where performed.

Conclusions

Based upon the foregoing, the commissioner has determined as follows:

1. Respondent applied for and was issued a mortgage loan originator registration by DFI for the purpose of originating residential mortgage loans in Kentucky.
2. On July 30, 2008, the S.A.F.E. Mortgage Licensing Act, PL 110-289, 122 Stat. 2654 (the “Act”) was enacted into law.
3. Pursuant to the Act, an individual may not engage in the business of a loan originator without first obtaining a registration as a State-licensed loan originator. Sec. 1504.
4. Section 1505(b) of the Act states that the “minimum standards for licensing and registration as a State-licensed loan originator shall include” not having been convicted of a felony “at any time preceding such date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.”
5. Ms. Clark disclosed on her application that she had been convicted of felony bank fraud in 1999.
6. In light of the above conviction, Ms. Clark no longer meets the minimum standards for registration as a loan originator pursuant to the Act, and thus, there are grounds for the commissioner to exercise his discretion pursuant to KRS 286.8-255(1)(k) and (c).
7. Despite being properly served pursuant to KRS 13B.050(2) with an Administrative Complaint, Respondent failed to claim the Complaint or request a hearing within twenty (20) days of service of the complaint as required by KRS 286.8-044.

Order

THEREFORE, based upon the foregoing statement of facts, statutory authority, and conclusions, the executive director **HEREBY ORDERS** as follows:

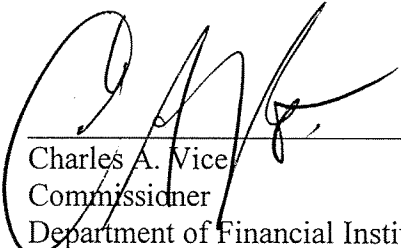
1. That **Patti A. Clark's** registration as a mortgage loan originator is **REVOKED**;
2. That **Patti A. Clark** is prohibited from participating in any business activity of a registrant or licensee and from engaging in any business activity on the premises where a licensee or registrant is conducting its business; and
3. This is a **FINAL ORDER**.

This **ORDER** shall become effective upon completion of service as it is 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 15th day of November, 2008.

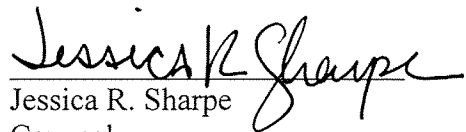


Charles A. Vice
Commissioner
Department of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601

Certificate of Service

I, Jessica R. Sharpe, hereby certify that a copy of the foregoing **Final Order Revoking Registration** was sent on this the 20th day of November, 2008, by certified mail, return receipt requested, to the following:

Ms. Patti A. Clark
45 Cherry Blossom Lane
Prestonsburg, Kentucky 41653



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