

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0063

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

FINAL ORDER IMPOSING FINE

TROY RADFORD

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** imposing a two thousand dollar fine (\$2,000) and a cease and desist order on Troy Radford (“Respondent”), 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).

2. During an examination, DFI discovered that the Respondent acted as an unregistered mortgage loan originator for GVC Mortgage, Inc. d/b/a Preferred Capital (GVC”), in violation of KRS 286.8-030.

3. On April 29, 2011 DFI, by counsel, filed an Administrative Complaint to impose a two thousand dollar (\$2,000) fine and ordering the Respondent to cease and desist from acting

as unregistered loan originator. The Administrative Complaint was sent via certified mail, return receipt requested to Respondent's last known address, 2940 Pitt Street #1, Anderson, IN 46016.

4. 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.

5. The Administrative Complaint was returned to DFI as unclaimed on May 6, 2011.

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 is subject to the \$2,000 fine and cease and desist order.

STATUTORY AUTHORITY

8. Pursuant to KRS 286.8-255(1), "No natural person shall transact business in Kentucky, either directly or indirectly, as a mortgage loan originator or mortgage loan processor unless such mortgage loan originator or mortgage loan processor is registered with the department and has been issued a current certificate of registration by the department, complies with all applicable requirements of this subtitle, and maintains a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry. The department shall maintain a database of all mortgage loan originators and mortgage loan processors originating or processing mortgage loans on residential real property in Kentucky. The department shall issue a certificate of registration to all registered mortgage loan originators and mortgage loan processors."

9. KRS 286.8-030(1)(c) makes it unlawful for a mortgage loan originator to conduct business in Kentucky if the mortgage loan originator is not registered pursuant to KRS 286.8-255.

10. KRS 286.8-090(1)(a) and (v) gives the Commissioner the authority to issue a cease and desist order if the Commissioner finds that a person has failed to comply with the requirements of KRS Chapter 286.8 or the person has violated provisions of KRS Chapter 286.8.

11. KRS 286.8-046 gives the Commissioner the ability to levy a civil penalty against any person who violates provisions of KRS Chapter 286.8. The civil penalty shall not be less than \$1,000 nor more than \$25,000 per violation.

12. 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."

13. 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

14. Respondent has violated KRS 286.8-255 and KRS 286.8-030(1)(c) by acting as an unregistered loan originator for GVC.

15. Pursuant to KRS 286.8-090 and KRS 286.8-046, the Respondent is subject to a \$2,000 fine and a cease and desist order for his violations.

16. 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).

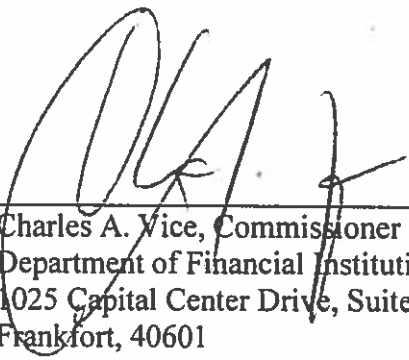
17. Respondent failed to timely respond to the Administrative Complaint or request a hearing within twenty (20) days of service. Thus, the Respondent has not perfected his appeal and his right to a hearing is waived in this matter.

ORDER

Based on the Findings of Fact, Statutory Authority, and Conclusions of Law set forth above, the Commissioner **ORDERS** that:

1. Troy Radford shall pay a civil penalty in the amount of two thousand dollars (\$2,000); and
2. Troy Radford shall **CEASE AND DESIST** from acting as an unregistered mortgage loan originator in Kentucky.

Executed on the 11th day of July, 2011.



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.

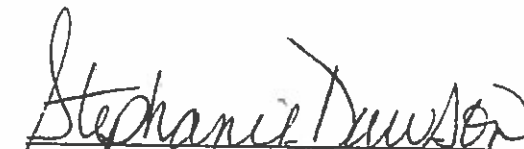
NOTICE OF APPEAL RIGHTS

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 13th day of July, 2011 to:

Troy Radford
2940 Pitt Street #1
Anderson, IN 46016


Stephanie Dawson
Department of Financial Institutions