

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2011-AH-0011

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

**FINAL ORDER  
TO CEASE AND DESIST AND  
IMPOSING FINES AND COSTS**

R.F. WILSON, INC. d/b/a WILSON LENDING GROUP;  
and BRYCE OLIVER

RESPONDENT

\* \* \* \* \*

The Commissioner of the Department of Financial Institutions (“DFI”) hereby enters this **Final Order**, pursuant to KRS Chapter 286.8, directing R.F. Wilson, Inc. d/b/a Wilson Lending Group (“Respondent Wilson”) to pay a **Fine** in the amount of forty-two thousand dollars (\$42,000.00) to immediately **Cease and Desist** from transacting business in Kentucky using unregistered mortgage loan originators and/or unlicensed branches; directing Bryce Oliver (“Respondent Oliver”) to pay a **Fine** in the amount of one thousand dollars (\$1,000.00) and to immediately **Cease and Desist** from transacting business in Kentucky as an unregistered mortgage loan originator; and directing both Respondents to reimburse DFI for the costs, expenses and attorney’s fees associated with the prosecution of this matter.

**FINDINGS OF FACT**

1. DFI is responsible for regulating and licensing mortgage loan companies, brokers, originators and processors in accordance with the provisions of KRS Chapter 286.8, the Mortgage Licensing and Regulation Act (“the Act”).

2. Respondent Wilson was at all times relevant herein a mortgage loan company with a principal office located at 8160 Baymeadows Way West, Suite 140, Jacksonville, Florida 32256. Respondent Wilson's registered agent for service of process is Rebecca Broyles-Oliver, whose last known address recorded with the Kentucky Secretary of State was 38 Arbor Green Way, Fisherville, Kentucky 40023-6426. However, on November 7, 2010, the United States Postal Service advised the Secretary of State via return of Certificate of Revocation, "Forward Time Expired," that Ms. Oliver's actual current address is now 197 Hawthorn Hedge Lane, Saint Johns, Florida 32259-4801.

3. Respondent Oliver was an employee of Respondent Wilson at all times relevant herein. On January 16, 2007, Respondent Oliver obtained a temporary registration to act as a mortgage loan originator in Kentucky, but that temporary registration was cancelled and expired on July 16, 2007. Respondent Oliver has never since been registered with DFI as a mortgage loan originator, and was not authorized by law to transact such business in Kentucky after July 16, 2007.

4. From the period of January 8, 2007 to December 31, 2008, Respondent Wilson held a claim of exemption under KRS 286.8-020(2)(a) from the licensing requirements of the Act for its principal office in Florida. Respondent Wilson's exemption from the licensing requirements of the Act expired on December 31, 2008, and thereafter Respondent Wilson has never been licensed in Kentucky to transact business as a mortgage loan company as required by KRS 286.8-030(1).

5. Respondent Wilson has never applied for any claim of exemption for any branch office to operate in Kentucky, as required by KRS 286.8-020(3), and no branch office of Respondent Wilson has ever been granted a claim of exemption from the

licensing requirements of the Act or otherwise authorized by DFI to conduct business in Kentucky.

6. As the result of an investigation, DFI discovered that during the period of approximately January 2007 to approximately mid-2008, Respondent Wilson operated an unauthorized branch office, physically located in Kentucky, at 1900 Plantside Drive, Louisville, Kentucky.

7. As a further result of this investigation, DFI discovered that during the period of approximately mid-2008 to at least April 17, 2009, Respondent Wilson operated an unauthorized branch office, physically located in Kentucky, at the personal residence of its employee and Registered Agent, Rebecca Broyles-Oliver, 38 Arbor Green Way, Fisherville, Kentucky.

8. In the course of its investigation, DFI issued a subpoena to Respondent Wilson requiring production of a list of loans closed or attempted against Kentucky properties, along with relevant details of each loan including the date each loan was opened and the name of the loan officer for each.

9. On June 18, 2009, Respondent Wilson delivered to DFI its loan list in response to the subpoena.

10. Respondent Wilson's Kentucky loan list revealed twenty-five (25) loans opened and closed between January 25, 2007 and April 17, 2009. These loans were originated through Respondent Wilson's unauthorized branch offices located in Louisville, Kentucky, using its loan originators residing in Kentucky.

11. In its Kentucky loan list, Respondent Wilson disclosed to DFI the fact that Respondent Oliver originated one (1) or more of these Kentucky loans after July 16, 2007, the date on which Respondent Oliver's temporary registration expired.

12. In its Kentucky loan list, Respondent Wilson also disclosed to DFI the fact that on July 20, 2007, it employed the loan origination services of another loan originator, Deon Lamont Harper, on at least one (1) of these Kentucky loans made from its unauthorized Louisville, Kentucky branch office. However, Mr. Harper's Kentucky registration to act as a mortgage loan originator had previously expired on June 30, 2007, and he was not authorized to transact such business in Kentucky.

13. Following its investigation, DFI notified Respondent Wilson of its outstanding fee bill for investigation expenses totaling one thousand, one hundred and sixty-one dollars (\$1,161.00). However, Respondent Wilson has failed to satisfy that outstanding fee bill, which remains unpaid.

14. By letter dated July 16, 2010, DFI notified Respondent Oliver of his violations of KRS 286.8-030 and KRS 286.8-255. The letter was sent via certified mail to his last known address at the time, 38 Arbor Green, Fisherville, Kentucky 40023, and the Return Receipt was signed by Rebecca Oliver on July 26, 2010, as Agent of Respondent Oliver. The letter asked Respondent Oliver to indicate in writing by August 13, 2010 whether he wished to settle this matter. Respondent Oliver delivered no response to DFI.

15. By letter dated July 15, 2010, DFI notified Respondent Wilson of its violations of KRS 286.8-030 concerning the use of unauthorized branches and unregistered loan originators and that DFI's fee bill remained unpaid. The letter was sent via certified mail to 8160 Baymeadows Way West, Suite 140, Jacksonville, Florida 32256, and an agent of Respondent Wilson signed for and acknowledged receipt of the letter on July 26, 2010. The letter asked Respondent Wilson to indicate in writing by July 30, 2010 whether it wished to settle these matters.

16. Respondent Wilson corresponded with various counsel for DFI at various times during the period of July 26, 2010 and September 3, 2010 to discuss the violations described herein and to provide additional documentation and/or explanation regarding the origination of loans by unregistered loan officers. However, at no time did Respondent Wilson deny or dispute, or provide any information to refute, DFI's findings that it had operated two (2) unauthorized branch offices or that it has originated twenty-five (25) loans through those branch offices.

17. On September 3, 2010, Respondent Wilson delivered to DFI documents consisting of loan applications completed in connection with loans previously identified by Respondent Wilson as having been originated by Respondent Oliver after the expiration of his temporary registration. These applications established that the unique identifier of the person originating such loans was omitted from each application.

18. Moreover, at least one (1) of the applications produced to DFI by Respondent Wilson on September 3, 2010 reflected that the loan officer identified on the application did not affix his or her signature on the application. Rather, the application contained a false signature, i.e., that of another person purporting to be the officer of record.

19. By letter dated January 3, 2011, DFI notified Respondent Wilson of its final determinations regarding the violations set forth herein. The letter further notified Respondent Wilson of the false or misleading nature of the documents described in paragraph 18 above herein and demanded a detailed written explanation thereof. The letter further afforded Respondent Wilson a final opportunity to dispute, refute, or otherwise respond to each of the matters set forth in this Administrative Complaint, and asked it to indicate in writing by January 17, 2011 whether it wished to settle these

matters. Respondent Wilson delivered no response to DFI by the deadline, and the matter has not been settled.

20. On January 31, 2011, DFI filed an Administrative Complaint (“Complaint”) against Respondents seeking imposition of a fine of forty-two thousand dollars (\$42,000.00) and an award of examination fees of one thousand, one hundred and sixty-one dollars (\$1,161.00) against Respondent Wilson, imposition of a fine of one thousand dollars (\$1,000.00) against Respondent Oliver, and any other appropriate relief to which DFI may be entitled under the Act.

21. The Complaint was mailed to Respondent Wilson via certified mail, return receipt requested, to the last known address referenced herein of its Registered Agent, as well as to the last known address of Respondent Wilson’s owner, Roger F. Wilson, 2532 Holly Point Road W., Orange Park, Florida 32073.

22. On February 15, 2011, the Complaint mailed to the last known address of Respondent Wilson’s Registered Agent was returned to DFI undelivered and marked “Forward Time Expired, Return To Sender.” The mark contained notice of a new forwarding address, 152 Crown Wheel Circle, Saint Johns, Florida 32259-8213.

23. However, on February 19, 2011, DFI received a return receipt confirming that the Complaint mailed to owner Roger F. Wilson was received and signed for by Mr. Wilson on behalf of Respondent Wilson on February 5, 2011.

24. More than twenty (20) days have passed since the Complaint was delivered to Respondent Wilson and Respondent Wilson has failed to file an Answer to the Complaint or otherwise request a hearing in this matter.

25. The Complaint was mailed to Respondent Oliver via certified mail, return receipt requested, to his last two (2) known address, that of his spouse and Registered

Agent of Respondent Wilson, Rebecca Broyles-Oliver, 197 Hawthorn Hedge Lane, Saint Johns, Florida 32259-4801, and 2509 West Caparina Drive, St. Augustine, Florida 32092.

26. On February 9, the Complaint mailed to Respondent Oliver at 197 Hawthorn Hedge Lane, Saint Johns, Florida 32259-4801 was returned to DFI undelivered and marked "Forward Time Expired, Return To Sender." The mark contained notice of a new forwarding address, 152 Crown Wheel Circle, Saint Johns, Florida 32259-8213. DFI mailed the Complaint to Respondent Oliver to this forwarding address on February 9, 2011, via certified mail, return receipt requested.

27. On February 14, 2011, DFI received a return receipt confirming that the Complaint mailed to 2509 West Caparina Drive, St. Augustine, Florida 32092 was received and signed for by Rebecca Broyles-Oliver on behalf of Respondent Oliver on February 9, 2011.

28. On February 18, 2011, DFI received a return receipt confirming that the Complaint mailed to 152 Crown Wheel Circle, Saint Johns, Florida 32259-8213 was received and signed for by Respondent Oliver on February 12, 2011.

29. More than twenty (20) days have passed since the Complaint was delivered to Respondent Oliver and Respondent Oliver has failed to file an Answer to the Complaint or otherwise request a hearing in this matter.

30. In its Complaint, DFI asserted the following violations of KRS Chapter 286.8 by Respondent Wilson:

<u>Unlawful Activity</u>	<u>Statute Violated</u>	<u>Description</u>
Transacting business without a	KRS 286.8-030(1)(a)	Respondent established two (2) branch offices in

license or approved exemption		Kentucky without a license or exemption to do so.
Failure to file for claim of exemption for branch office	KRS 286.8-030(1)(a)	Respondent failed to file a written application for a claim of exemption for either of its Kentucky branch offices.
Transacting business without a license or approved exemption	KRS 286.8-030(1)(a); (4)	Respondent's branches made twenty-five (25) mortgage loans without a license or exemption to do so.
Employ or use of unregistered loan originators	KRS 286.8-030(1)(d) and KRS 286.8-255(1)	Respondent employed and used unregistered loan originators, Deon Lamont Harper and Respondent Oliver.
Failure to comply with application requirements and misrepresenting compliance	KRS 286.8-030(5)	Respondent failed to include unique identifiers on applications and misrepresented one or more signatures.
Causing a false or misleading document to be filed with the Department	KRS 286.8-220(1)	Respondent made or caused to be made one or more loan applications with false or misleading signatures to be filed with DFI.

31. In its Complaint, DFI asserted the following violation of KRS Chapter 286.8 by Respondent Oliver:

<u>Unregistered Activity</u>	<u>Statute Violated</u>	<u>Description</u>
Acting as an	KRS 286.8-030(1)(c) and KRS	In January 2008,



unregistered loan originator	286.8-255(1)	Respondent Oliver acted as a loan originator for Respondent Wilson on a loan for borrower Mark A. Tamburo.
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**STATUTORY AUTHORITY**

1. A “mortgage loan originator” is someone who for compensation or gain or the expectation of compensation or gain:

(a) Performs any one (1) or more of the following acts in the mortgage lending process:

1. Solicits, places, negotiates, or offers to make a mortgage loan;
2. Obtains personal and financial information from a borrower or prospective borrower;
3. Assists a borrower or prospective borrower with the preparation of a mortgage loan or related documents;
4. Explains, recommends, discusses, negotiates, or quotes rates, terms, and conditions of a mortgage loan with a borrower or prospective borrower, whether or not the borrower or prospective borrower makes or completes an application;
5. Explains any term or aspect of any disclosure or agreement given at or after the time a mortgage loan application is received; or
6. Takes a residential mortgage loan application; or

(b) Is an independent contractor engaging in the mortgage lending process as a mortgage loan processor;

See KRS 286.8-010(21).

2. Pursuant to KRS 286.8-030(1)(a), “It is unlawful for any person to transact business in Kentucky, either directly or indirectly, as a mortgage loan company...if the mortgage loan company...is not licensed in accordance with the requirements of this subtitle, unless that person is exempt under KRS 286.8-020 and, if required by KRS 286.8-020(3) has timely filed a completed application for a claim of

exemption, and the filed application for a claim of exemption has been approved by the executive director.”

3. Pursuant to KRS 286.8-020(3), “Any...mortgage loan company...or branch thereof relying upon an exemption under subsection...(2)(a) or (b) of this section shall file with the executive director written application for a claim of exemption.”

4. Pursuant to KRS 286.8-030(1)(d), “It is unlawful for any mortgage loan company...to employ or use a mortgage loan originator...if the mortgage loan originator...is not registered in accordance with KRS 286.8-255 or otherwise exempted.”

5. Pursuant to KRS 286.8-030(1)(c), “It is unlawful for any natural person to transact business in Kentucky, either directly or indirectly, as a mortgage loan originator...unless otherwise exempted, if the mortgage loan originator...is not registered in accordance with KRS 286.8-255 or otherwise exempted.”

6. Pursuant to KRS 286.8-030(4), “Each solicited, attempted, or closed loan shall constitute a separate violation of this section.”

7. 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 office and has been issued a current certificate of registration by the office, complies with all applicable requirements of this subtitle, and maintains a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.”

8. Pursuant to KRS 286.8-030(5), “The unique identifier, name, and signature of any person originating a mortgage loan shall be clearly shown on the mortgage loan application. It shall be unlawful to make or cause to be made any

misrepresentations on a mortgage loan application that are inconsistent with this subsection.”

9. 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 executive director...or in 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, including an omission of a material fact.”

10. Pursuant to 808 KAR 12:022(2)(1), a mortgage loan company or mortgage loan broker shall pay the Department’s examination and/or investigation fees “within thirty (30) days of the date of the fee bill sent following the examination or investigation.” Pursuant to 808 KAR 12:022(3), a mortgage loan company or mortgage loan broker that fails to pay the fee within thirty (30) days from the date of demand for immediate payment shall, in addition to remaining liable for all owed fees, be subject to administrative action and the penalties established in KRS 286.8-090 and 286.8-046.

11. Pursuant to KRS 286.090(1)(a) and (c), the Commissioner may suspend, revoke, place on probation, or 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 does not conduct his business in accordance with the law.

12. KRS 286.8-046(1) 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 one thousand dollars (\$1,000) nor more than twenty five thousand dollars (\$25,000) per violation.

13. Pursuant to KRS 286.8-044(2), “The executive director may file an administrative complaint against any person if it appears on grounds satisfactory to the

executive director that a potential or actual violation of this subtitle has been committed and when the person may be subject to the penalties of KRS 286.8-046, 286.8-090, and 286.8-990. The executive director 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. If timely requested, an administrative hearing shall be held in accordance with the provisions of KRS Chapter 13B. If a written answer and request for hearing are not made within twenty (20) days of service or delivery of the complaint, the executive director shall enter a final order granting the relief requested in the complaint.”

14. Pursuant to KRS 286.8-044(3), service by certified mail shall be 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.

15. Pursuant to 808 KAR 12:030, Section 2:

- (1) The office attorney may file a written complaint against a person if:
  - (a) The attorney believes that the person is violating or has violated a provision of KRS Chapter 286.8; and
  - (b) The executive director has not entered an order against the person based on the same conduct or allegation.
- (2) The complaint shall:

- (a) Describe the allegation made against the person;
- (b) Request the executive director to enter an appropriate order; and
- (c) Comply with the requirements for notice of an administrative hearing established by KRS 13B.050(3)(c) through (h).

### CONCLUSIONS

1. Respondent Wilson violated KRS 286.8-030(1)(a) by transacting business in Kentucky through the operation of two (2) unlicensed branch offices, and by making twenty-five (25) mortgage loans at those branches.
2. Respondent Wilson violated KRS 286.8-030(1)(a) by failing to file a written application for a claim of exemption for either of its Kentucky branch offices.
3. Respondent Wilson violated KRS 286.8-030(1)(d) and KRS 286.8-255(1) by originating loans using unregistered mortgage loan originators.
4. Respondent Wilson violated KRS 286.8-030(5) by failing to ensure that each mortgage loan application includes the unique identifier of its originator and by misrepresenting one or more signatures of said originator.
5. Respondent Wilson violated KRS 286.8-220(1) by causing to be filed with DFI one or more loan applications containing false or misleading signatures.
6. Respondent Wilson violated 808 KAR 12:022 by failing to pay DFI's examination fee bill and failing to timely respond to DFI's demands for same.
7. Therefore, Respondent Wilson is subject to a fine of forty-two thousand dollars (\$42,000.00) for these violations.

8. The Complaint was properly served upon Respondent Wilson via certified mail to its last known address in accordance with KRS 286.8-044(2) and 808 KAR 12:030.

9. Service of the Complaint upon Respondent Wilson was complete on February 5, 2011, pursuant to KRS 286.8-044(3)(c).

10. Respondent Wilson failed to respond to the Complaint by filing a written answer or requesting a hearing within twenty (20) days of service. Thus, Respondent Wilson's right to a hearing has been waived in this matter.

11. Respondent Oliver violated KRS 286.8-030(1)(c) and 286.8-255(1) by transacting business in Kentucky as a mortgage loan originator without a valid registration or exemption to so do. Therefore, Respondent Oliver is subject to a fine of one thousand dollars (\$1,000.00) for this violation.

12. The Complaint was properly served upon Respondent Oliver via certified mail to his last known address in accordance with KRS 286.8-044(2) and 808 KAR 12:030.

13. Service of the Complaint upon Respondent Oliver was complete on February 12, 2011, pursuant to KRS 286.8-044(3)(c).

14. Respondent Oliver failed to respond to the Complaint by filing a written answer or requesting a hearing within twenty (20) days of service. Thus, Respondent Oliver's right to a hearing has been waived in this matter.

## ORDER

THEREFORE, based upon the foregoing findings of fact, statutory authority, and conclusions, the Commissioner **HEREBY ORDERS** that:

1. Respondent R.F. Wilson, Inc. d/b/a Wilson Lending Group shall pay a civil penalty in the amount of forty-two thousand dollars (\$42,000.00) for its violations of KRS Chapter 286.8 described herein. The payment shall be in the form of a certified check or money order made payable to “Kentucky State Treasurer” and mailed to the Department of Financial Institutions, Attn: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;
2. Respondent R.F. Wilson, Inc. d/b/a Wilson Lending Group shall pay DFI’s examination fee bill in the amount of one hundred and sixty-one dollars (\$1,161.00). The payment shall be in the form of a certified check or money order made payable to “Kentucky State Treasurer” and mailed to the Department of Financial Institutions, Attn: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;
3. Respondent Bryce Oliver shall pay a civil penalty in the amount of one thousand dollars (\$1,000.00) for his violations of KRS Chapter 286.8 described herein. The payment shall be in the form of a certified check or money order made payable to “Kentucky State Treasurer” and mailed to the Department of Financial Institutions, Attn: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;
4. Respondents R.F. Wilson, Inc. d/b/a Wilson Lending Group and Bryce Oliver shall be jointly and severally liable for and shall pay to and reimburse DFI the additional sum of one thousand, one hundred and twenty-five dollars (\$1,125.00), its

costs, expenses, and/or attorney's fees associated with the prosecution of this matter as set forth in Exhibit A to this Order; and

5. Respondents R.F. Wilson, Inc. d/b/a Wilson Lending Group and Bryce Oliver shall **CEASE AND DESIST** from transacting mortgage loan business in Kentucky, unless and until Respondents comply with all applicable provisions of KRS Chapter 286.8 and are authorized by DFI to do so.

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, KRS 13B.120, and KRS 13B.050.

**IT IS SO ORDERED** on this the 25<sup>th</sup> day of March, 2011.

  
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CHARLES A. VICE  
COMMISSIONER

**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 entry 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, return receipt requested, on this the 28<sup>th</sup> day of March, 2011 to:

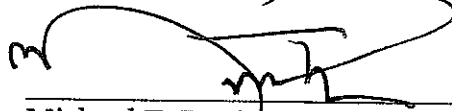
Roger F. Wilson  
2532 Holly Point Road W.  
Orange Park, FL 32073

Roger F. Wilson  
c/o Deerwood Financial Group, LLC  
4231 Walnut Bend, Suite 400  
Jacksonville, Fl 32257

R.F. Wilson, Inc.  
c/o Rebecca Broyles-Oliver,  
Registered Agent  
152 Crown Wheel Circle  
Saint Johns, Florida 32259-8213

Bryce Oliver  
152 Crown Wheel Circle  
Saint Johns, Florida 32259-8213

Respectfully submitted,



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**COUNSEL FOR COMPLAINANT**

