

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Christopher S. Olson
NMLS ID No. 1167703

Enforcement Case No. 15-12609

Respondent.

_____ /

Issued and entered
on August 22, 2016
by Rhonda J. Fossitt
Senior Deputy Director

ORDER ACCEPTING STIPULATION

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Senior Deputy Director finds and concludes that:

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of DIFS.
2. The Senior Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 *et seq.*, and the Michigan Mortgage Loan Originator Licensing Act (MLOLA), 2009 PA 75, as amended, MCL 493.131 *et seq.*
3. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
4. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
5. All applicable provisions of the APA have been met.
6. On February 25, 2014, Christopher S. Olson (Respondent) submitted an application for a Mortgage Loan Originator license through the Nationwide Mortgage Licensing System and Registry (NMLS). On March 19, 2014, DIFS granted Respondent a Mortgage Loan Originator license.

7. On February 24, 2015, AMP Processing, LLC (AMP) submitted an Exempt Company Registration application via the NMLS. AMP is a mortgage loan processor and Respondent is the sole member and resident agent of AMP.
8. Staff approved AMP's application for exemption on April 9, 2015, and recommended that AMP and Respondent pay a fine for Respondent's processing of mortgage loans prior to AMP receiving its exempt status and without AMP sponsoring Respondent, contrary to the MLOLA. DIFS Staff also found that DIFS had taken prior enforcement action against Respondent on September 24, 2010, which was not disclosed in AMP's exempt company application.
9. DIFS Staff further found that Respondent not only failed to disclose the prior enforcement action in AMP's application for exempt company status, but had also failed to disclose the enforcement action in his own application for a mortgage loan originator license submitted via the NMLS on February 25, 2014.
10. Finally, DIFS Staff found that Respondent was a licensed insurance producer in the state of Michigan and President of Alpha Title Agency, Inc. (Alpha Title) and that on or about September 24, 2010, Respondent, Sandra K. Olson, and Alpha Title entered into a Consent Order and Stipulation with DIFS in which the Chief Deputy Commissioner made the following finding of facts and conclusions of law:
 - a. On May 13, 2009, OFIR¹ received a Complaint from First American Title Insurance Company (FATIC) against Respondent, Sandra K. Olson, and Alpha Title (Parties). The Complaint alleged that the Parties owed FATIC \$95,851.03, of which, \$83,333.83 were insurance premiums the Parties failed to remit to FATIC.
 - b. On or about December 16, 2008, FATIC filed a lawsuit against the Parties seeking to collect unremitted insurance premiums. The Parties and FATIC subsequently entered into a Settlement Agreement to resolve the matter.
 - c. The Parties violated MCL 500.1207(1) by failing to timely remit insurance premiums they collected to FATIC, thereby justifying sanctions under MCL 500.1239(2)(d) and MCL 500.1239(1)(h).
11. The Chief Deputy Commissioner ordered Respondent to pay a civil fine and revoked Alpha Title's insurance producer license. The Order also required the Parties to pay restitution to FATIC.
12. Despite the September 24, 2010, Order, on February 25, 2014 and February 24, 2015, Respondent responded "No" to the following disclosure questions:

¹ Effective March 18, 2013, all authority, duties, powers, functions and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation is transferred to the Director of the Department of Insurance and Financial Services pursuant to Executive Order 2013-1.

- K. Has any state or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:
- a. Found you to have made a false statement or omission or been dishonest, unfair or unethical?
 - b. Found you to have been involved in a violation of a financial services-related business regulation(s) or statute(s)?
 - c. Entered an Order against you in connection with a financial services-related activity?
 - d. revoked your registration or license?
 - e. Denied or suspended your registration or license or application for licensure, disciplined you, or otherwise by order, prevented you from associating with a financial services-related business or restricted your activities?
 - f. Issued a Final Order against you based on violations of any law or regulations that prohibit fraudulent, manipulative, or deceptive conduct?
 - g. Entered an Order concerning you in connection with any license or registration?

* * *

- M. Based upon activities that occurred while you exercised control over an organization, has any state or federal regulatory agency or foreign financial regulatory authority or SRO ever taken actions listed in (K) through (L) against any organization?
13. According to the NMLS Policy Guidebook, “financial services” or “financial related services” means “pertaining to securities, commodities, banking, insurance, consumer lending, money services businesses, consumer debt management or real estate (including, but not limited to; acting as or being associated with a bank or savings association, credit union, farm credit system institution, mortgage lender, mortgage broker, real estate salesperson or agent, appraiser, closing agent, title company, escrow agent, payday lender, money transmitter, check casher, pawnbroker, collection agent, debt management company or title lender).”
14. According to the NMLS Policy Guidebook, “control” means “[t]he power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract, or otherwise. Any person that (i) is a general partner or executive officer, including Chief Executive Officer, Chief Financial Officer, Chief Operations

Officer, Chief Legal Officer, Chief Credit Officer, Chief Compliance Officer, Director, and individuals occupying similar positions or performing similar functions; (ii) directly or indirectly has the right to vote 10% or more class of a voting security or has the power to sell or direct the sale of 10% or more of a class of voting securities; (iii) in the case of an LLC, Managing Member; or (v) in the case of a partnership, has the right to receive upon dissolution, or has contributed, 10% or more of the capital, is presumed to control the company.”

15. Respondent knew or should have known that he was required to answer “Yes” to questions K and M in paragraph 7 above. However, Respondent failed to disclose the disciplinary actions taken against him and Alpha Title, a company for which he served as President. The attestation sections of the applications also advised Respondent that, “If an Applicant made a false statement of a material fact in this application or in any documentation provided to support the foregoing application, then the foregoing application may be denied.” Respondent signed the forms attesting that the information and statements contained in the applications, including information that accompanied the applications, were current, true, accurate and complete and were made under penalty of perjury, or unsworn falsification to authorities, or similar provision of law.
16. By providing incorrect information on his application for a mortgage loan originator license and AMP’s application for exempt status, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, including revocation of licensure pursuant to MCL 493.155.
17. On October 12, 2015, a Notice of Opportunity to Show Compliance was mailed by first class mail to Respondent at the following address on file:

Mr. Christopher Olson



Respondent emailed a response.

18. On May 19, 2016, Respondent participated in a compliance conference. Respondent cooperated fully and provided credible answers to questions from DIFS Staff.

Now therefore, based upon the Stipulation to Entry of Order and the facts surrounding this case, **IT IS ORDERED THAT:**

19. Respondent shall cease and desist from operating in a manner that violates the MLOLA.
20. Respondent shall pay a \$1,500 fine.
21. The Senior Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the MLOLA. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.


Rhonda J. Fossitt
Senior Deputy Director

RECEIVED

AUG 16 2016

DIFS/OGC

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Christopher S. Olson
NMLS ID No. 1167703

Enforcement Case No. 15-12609

Respondent.

_____ /

STIPULATION TO ENTRY OF ORDER

Christopher S. Olson (Respondent) stipulates to the following:

1. On or about October 12, 2015, the Department of Insurance and Financial Services (DIFS) served Respondent with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent violated provisions of the Michigan Mortgage Loan Originator Licensing Act (MLOLA), 2009 PA 75, as amended, MCL 493.131 *et seq.*
2. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of DIFS.
3. The Senior Deputy Director has jurisdiction and authority to adopt and issue the Order Accepting Stipulation in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 *et seq.*, and the MLOLA.
4. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
5. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
6. All applicable provisions of the APA have been met.
7. On February 25, 2014, Respondent submitted an application for a Mortgage Loan Originator license through the Nationwide Mortgage Licensing System and Registry (NMLS). On March 19, 2014, DIFS granted Respondent a Mortgage Loan Originator license.
8. On February 24, 2015, AMP Processing, LLC (AMP) submitted an Exempt Company Registration application via the NMLS. AMP is a mortgage loan processor and Respondent is the sole member and resident agent of AMP.

9. Staff approved AMP's application for exemption on April 9, 2015, and recommended that AMP and Respondent pay a fine for Respondent's processing of mortgage loans prior to AMP receiving its exempt status and without AMP sponsoring Respondent, contrary to the MLOLA. DIFS Staff also found that DIFS had taken prior enforcement action against Respondent on September 24, 2010, which was not disclosed in AMP's exempt company application.
10. DIFS Staff further found that Respondent not only failed to disclose the prior enforcement action in AMP's application for exempt company status, but had also failed to disclose the enforcement action in his own application for a mortgage loan originator license submitted via the NMLS on February 25, 2014.
11. Finally, DIFS Staff found that Respondent was a licensed insurance producer in the state of Michigan and President of Alpha Title Agency, Inc. (Alpha Title) and that on or about September 24, 2010, Respondent, Sandra K. Olson, and Alpha Title entered into a Consent Order and Stipulation with DIFS in which the Chief Deputy Commissioner made the following finding of facts and conclusions of law:
 - a. On May 13, 2009, OFIR² received a Complaint from First American Title Insurance Company (FATIC) against Respondent, Sandra K. Olson, and Alpha Title (Parties). The Complaint alleged that the Parties owed FATIC \$95,851.03, of which, \$83,333.83 were insurance premiums the Parties failed to remit to FATIC.
 - b. On or about December 16, 2008, FATIC filed a lawsuit against the Parties seeking to collect unremitted insurance premiums. The Parties and FATIC subsequently entered into a Settlement Agreement to resolve the matter.
 - c. The Parties violated MCL 500.1207(1) by failing to timely remit insurance premiums they collected to FATIC, thereby justifying sanctions under MCL 500.1239(2)(d) and MCL 500.1239(1)(h).
12. The Chief Deputy Commissioner ordered Respondent to pay a civil fine and revoked Alpha Title's insurance producer license. The Order also required the Parties to pay restitution to FATIC.
13. Despite the September 24, 2010, Order, on February 25, 2014 and February 24, 2015, Respondent responded "No" to the following disclosure questions:
 - K. Has any state or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:
 - a. Found you to have made a false statement or omission or been dishonest, unfair or unethical?

² Effective March 18, 2013, all authority, duties, powers, functions and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation is transferred to the Director of the Department of Insurance and Financial Services pursuant to Executive Order 2013-1.

- b. Found you to have been involved in a violation of a financial services-related business regulation(s) or statute(s)?
- c. Entered an Order against you in connection with a financial services-related activity?
- d. revoked your registration or license?
- e. Denied or suspended your registration or license or application for licensure, disciplined you, or otherwise by order, prevented you from associating with a financial services-related business or restricted your activities?
- f. Issued a Final Order against you based on violations of any law or regulations that prohibit fraudulent, manipulative, or deceptive conduct?
- g. Entered an Order concerning you in connection with any license or registration?

* * *

M. Based upon activities that occurred while you exercised control over an organization, has any state or federal regulatory agency or foreign financial regulatory authority or SRO ever taken actions listed in (K) through (L) against any organization?

- 14. According to the NMLS Policy Guidebook, “financial services” or “financial related services” means “pertaining to securities, commodities, banking, insurance, consumer lending, money services businesses, consumer debt management or real estate (including, but not limited to; acting as or being associated with a bank or savings association, credit union, farm credit system institution, mortgage lender, mortgage broker, real estate salesperson or agent, appraiser, closing agent, title company, escrow agent, payday lender, money transmitter, check casher, pawnbroker, collection agent, debt management company or title lender).”
- 15. According to the NMLS Policy Guidebook, “control” means “[t]he power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract, or otherwise. Any person that (i) is a general partner or executive officer, including Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Credit Officer, Chief Compliance Officer, Director, and individuals occupying similar positions or performing similar functions; (ii) directly or indirectly has the right to vote 10% or more class of a voting security or has the power to sell or direct the sale of 10% or more of a class of voting securities; (iii) in the case of an LLC, Managing Member; or (v) in the case of a partnership, has the right to receive upon dissolution, or has contributed, 10% or more of the capital, is presumed to control the company.”
- 16. Respondent knew or should have known that he was required to answer “Yes” to questions K and M in paragraph 13 above. However, Respondent failed to disclose the disciplinary actions taken against him and Alpha Title, a company for which he served as President. The attestation sections of the applications also advised Respondent that, “If an Applicant made a false statement of a material fact in this application or in any documentation

provided to support the foregoing application, then the foregoing application may be denied.” Respondent signed the forms attesting that the information and statements contained in the applications, including information that accompanied the applications, were current, true, accurate and complete and were made under penalty of perjury, or unsworn falsification to authorities, or similar provision of law.

17. By providing incorrect information on his application for a mortgage loan originator license and AMP’s application for exempt status, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, including revocation of licensure pursuant to MCL 493.155.
18. On October 12, 2015, a Notice of Opportunity to Show Compliance was mailed by first class mail to Respondent at the following address on file:

Mr. Christopher Olson



Respondent emailed a response.

19. On May 19, 2016, Respondent participated in a compliance conference. Respondent cooperated fully and provided credible answers to questions from DIFS Staff.
20. Respondent, DIFS, and respective counsel conferred for the purpose of resolving this matter.
21. Respondent exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
22. Respondent agrees that all parties have complied with the procedural requirements of the APA and the MLOLA.
23. Respondent admits to the allegations cited in the NOSC.
24. Respondent agrees that he will immediately cease and desist from operating in a manner that violates the MLOLA.
25. Respondent agrees that he will pay a \$1,500 fine.
26. Respondent has had an opportunity to review this Stipulation to Entry of Order and the proposed Order Accepting Stipulation and have the same reviewed by legal counsel.
27. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Senior Deputy Director for approval.
28. Respondent understands and agrees that the Senior Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Senior Deputy Director accepts the Stipulation to Entry of Order, Respondent waives the right to a hearing

in this matter and consents to the entry of the Order Accepting Stipulation. If the Senior Deputy Director does not accept the Stipulation to Entry of Order, Respondent waives any objection to the Director holding a formal administrative hearing and making her decision after such hearing.

29. Respondent agrees that failure to comply with the Order of the Director accepting this settlement by failing to pay the administrative and civil fines as set forth above shall result in the commencement of an action to suspend (or to continue the suspension of) all licenses held under the MLOLA held by Respondent.

Respondent agrees that the amount of fines and/or fees has been negotiated in return for the avoidance of further proceedings and certain promises and conditions, one of which is the timely payment of said fines and/or fees. Should Respondent fail to pay the fines and/or fees in accordance with the terms of this Stipulation and the Director's Order, the parties agree that an action will commence to determine if the Respondent has, in fact, failed to pay, and, if so, Respondent agrees that the fines and/or fees will immediately increase to the maximum amount allowed under the MLOLA, shall be immediately due in full, and Respondent's license(s) shall be revoked.



Christopher S. Olson
System ID No. 1167703

8-12-16
Date

DIFS Staff approve this Stipulation and recommend that the Senior Deputy Director accept it and issue an Order Accepting Stipulation.



Conrad L. Tatnall (P69785)
DIFS Staff Attorney

8/16/16
Date