

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services

Enforcement Case No. 16-14486

Petitioner,

v

Riley Graham

Respondent.

_____ /

Issued and entered,
this 3rd day of May 2017
by Rhonda J. Fossitt,
Senior Deputy Director

ORDER OF PROHIBITION

WHEREAS, pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation have been transferred to the Director of the Department of Insurance and Financial Services (DIFS); and,

WHEREAS, the Director of DIFS (Director) is statutorily charged with the responsibility and authority to administer and implement the Mortgage Brokers, Lenders, and Servicers Licensing Act (Act), 1987 PA 173, as amended, MCL 445.1651 *et seq.*, pursuant to provisions therein; and,

WHEREAS, Section 18a(8) of the Act provides for the prohibition of a person convicted of a felony involving fraud, dishonesty, or breach of trust, from being a licensee or registrant and from being employed by, an agent of, or control person of any licensee or registrant under the Act or a licensee or registrant under a financial licensing act; and,

WHEREAS, Section 18a(8) of the Act provides that a person subject to an Order issued thereunder, may apply to the Director to terminate the Order after 5 years from the date of the Order; and,

WHEREAS, pursuant to Section 18b(2) of the Act, Riley Graham (Respondent) may have a right to judicial review of this Order; and,

WHEREAS, Respondent participated in a mortgage fraud and money laundering scheme that resulted in losses to mortgage lenders and harm to neighborhoods and homeowners; and

WHEREAS, on February 13, 2008, after a jury trial in U.S. District Court for the Northern District of Georgia, Respondent was convicted of the following criminal offenses: conspiracy to commit wire fraud (18 USC § 1343) in violation of 18 USC §§ 371, a felony; wire fraud in violation of 18 USC §§ 1343 and 2, a felony; conspiracy to commit wire fraud (18 USC § 1343), fraud (18 USC § 1341), false statement on credit application (18 USC §1014), money laundering (18 USC §§ 1956(a)(1)(A)(i) and (B)(i)), engaging in monetary transactions in property derived from specified unlawful activity (18 USC § 1957), all in violation of 18 USC § 371, a felony; mail fraud in violation of 18 USC §§ 1341 and 2, a felony; engaging in monetary transaction in property derived from specified unlawful activity in violation of 18 USC §§ 1957 and 2, a felony; and money laundering in violation of 18 USC §§ 1956(a)(1)(A)(i) and (B)(i) and 2, a felony; and,

WHEREAS, the felony convictions having involved fraud, dishonesty, or breach of trust, Respondent is subject to prohibition by the Director, pursuant to MCL 445.1668a(8); and,

WHEREAS, the Director finds and concludes as a matter of law and fact that Respondent shall be and is eligible for and subject to prohibition by the Director, pursuant to MCL 445.1668a(8).

NOW THEREFORE, IT IS ORDERED that:

1. Riley Graham is prohibited from being a licensee or registrant, and from being employed by, an agent of, or control person of any licensee or registrant, under the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, MCL 445.1651 *et seq.*, or a licensee or registrant under a financial licensing act.
2. This Order shall be and is effective on the date it is issued and entered, as shown in the caption hereof. This Order shall remain in effect until terminated, modified, or set aside in writing by the Director.

**DEPARTMENT OF INSURANCE AND
FINANCIAL SERVICES**


Rhonda J. Fossitt
Senior Deputy Director