STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the Matter of:
Office of Financial and Insurance Regulation

Petitioner

vs **Enforcement Case No. 08-7039**

Kenneth D. Jones, Sr.
79 Grey Fox Ct.
Grand Blanc, MI 48439
Respondent

_____/

Issued and Entered,
On January 20**, 2009,**
by Stephen R. Hilker,
Chief Deputy Commissioner

ORDER OF PROHIBITION

WHEREAS, the Commissioner of the Office of Financial and Insurance Regulation ("Commissioner") 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 Commissioner to terminate the Order after 5 years from the date of the Order; and,

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

WHEREAS, Respondent was employed at Independent Bank Corporation beginning February 23, 2004 until August 18, 2006; and,

WHEREAS, on August 7, 2006, Independent Bank Corporation obtained information that an unauthorized draw had occurred on a personal line of credit. Independent Bank Corporation's Risk Management Division initiated an investigation into the matter and Respondent, which revealed that:

(a) Beginning in October 2005 and continuing through July 28, 2006, Respondent was involved in identity theft and embezzlement involving personal lines of credit belonging to Independent Bank Corporation's customers;

(b) On December 26, 2006, Independent Bank Corporation discovered that another customer's personal line of credit had been subjected to several unauthorized withdrawals for which Respondent was responsible; and

WHEREAS, Independent Bank Corporation sustained losses of $57,552.84 due to Respondent's felonious actions; and

WHEREAS, on October 12, 2006, Respondent plead no contest to one count of embezzlement in violation of MCL 750.174(5)(a) and five counts of identity theft in violation of MCL 445.65, and was sentenced to three years probation for each offense; and

WHEREAS, on June 14, 2007, Respondent pled guilty to the offense of identity theft in violation of MCL 445.65 and was placed on three years' probation; and

WHEREAS, the crimes committed having involved fraud, dishonesty, and breach of trust, Respondent is subject to Prohibition by the Office of Financial and Insurance Regulation pursuant to MCL 445.1668a(8); and,

WHEREAS, the Commissioner finds and concludes as a matter of law and fact that Respondent shall be and is eligible and subject to Prohibition by the Office of Financial and Insurance Regulation, pursuant to MCL 445.1668a(8).

NOW THEREFORE, IT IS ORDERED that:

1. Kenneth D. Jones is prohibited from being employed by, an agent of, or control person of a licensee or registrant under the Mortgage Brokers, Lenders, and Servicers

Licensing Act ("MBLSLA"), 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 Commissioner.

OFFICE OF FINANCIAL AND INSURANCE REGULATION

Stephen R. Hilker,
Chief Deputy Commissioner