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STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

TO: Michael Dewayne Lee, Jr.
FFMS Management
FFM
FFM Funding
FFM Services
FFM Collateral Services
FFM Fund
FFM Credit
FFM Financial
FFM Lending
FFM Management
FFM Services Group
Forman Collateral
Forman Financial Services, Inc.
551 77th Street
Boca Raton, Florida 33487

DESIST AND REFRAIN ORDER

(For violations of sections 22100 and 22161 of the Financial Code)

The Commissioner of Financial Protection and Innovation (“Commissioner”) finds that:

1. At all relevant times, FFMS Management also known as FFM, FFM Funding, FFM Services, FFM Collateral Services, FFM Fund, FFM Collateral, FFM Credit, FFM Financial, FFM Lending, FFM Management, FFM Services Group, Forman Collateral, Forman Financial Services, Inc. (collectively “FFMS Management”) is or was a business of unknown form with an address of 551 77th Street, Boca Raton, Florida 33487.

2. At all relevant times, Michael Dewayne Lee, Jr. (“Lee”) was a principal of FFMS Management.

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1 3. The Commissioner has jurisdiction over the licensing and regulation of persons and
2 entities engaged in the business of finance lending or brokering under the California Financing Law
3 (Cal. Fin. Code §§ 22000-22780).

4 4. FFMS Management and Lee have not been issued a license by the Commissioner
5 under the California Financing Law and are not authorized to engage in the business of a finance
6 lender or broker. FFMS Management and Lee are not exempt from the licensing requirement of
7 Financial Code section 22100.

8 5. On or around November 4, 2021, FFMS Management and Lee sent a “Correspondent
9 Facility Application” and advertisements offering to fund mortgage loans to at least one California
10 resident.

11 6. On or around November 29, 2021, FFMS Management and Lee entered into a “Credit
12 Lending Agreement” with a California resident. The Credit Lending Agreement identified FFMS
13 Management as the “Lender” and the California resident as the “Borrower,” where FFMS
14 Management promised to provide “a discretionary revolving line of credit for a maximum principal
15 of one million dollars[.]”

16 7. As part of the Credit Lending Agreement, the California resident promised to pay in
17 advance a security deposit to FFMS Management and Lee as consideration for the line of credit
18 requested. Under sections 5(a) and 5(b) of the Credit Lending Agreement dated November 29, 2021,
19 the California resident agreed to wire funds to FFMS Management and Lee to satisfy their pledge
20 account requirements.

21 8. On or around December 15, 2021, the California resident sent \$11,000 to FFMS
22 Management and Lee through a wire transfer to a Bank of America account.

23 9. On or around January 12, 2022, the California resident sent a second payment of
24 \$11,000 to FFMS Management and Lee through a wire transfer to the same Bank of America
25 account.

26 10. After wiring the security deposit, the California resident made numerous attempts to
27 contact FFMS Management and Lee to borrow money as agreed in their Credit Lending Agreement
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1 dated November 29, 2021. FFMS Management and Lee never provided the funds promised to the
2 California resident.

3 11. FFMS Management and Lee never refunded or returned the security deposit of
4 \$22,000 that the California resident paid in advance pursuant to their Credit Lending Agreement
5 dated November 29, 2021.

6 12. FFMS Management and Lee falsely represented in advertisements and the Credit
7 Lending Agreement dated November 29, 2021 that they would provide a line of credit up to \$1
8 million dollars if the borrower paid an advance security deposit. In failing to fund the loan as
9 promised, FFMS Management and Lee violated Financial Code section 22161 by engaging in
10 fraudulent or dishonest dealings against a California resident.

11 Based on the foregoing, the Commissioner is of the opinion that FFMS Management also
12 known as FFM, FFM Funding, FFM Services, FFM Collateral Services, FFM Fund, FFM Collateral,
13 FFM Credit, FFM Financial, FFM Lending, FFM Management, FFM Services Group, Forman
14 Collateral, Forman Financial Services, Inc. and Michael Dewayne Lee, Jr. engaged in the business of
15 a finance lender or broker without obtaining a license in violation of Financial Code section 22100.

16 The Commissioner is also of the opinion that FFMS Management also known as FFM, FFM
17 Funding, FFM Services, FFM Collateral Services, FFM Fund, FFM Collateral, FFM Credit, FFM
18 Financial, FFM Lending, FFM Management, FFM Services Group, Forman Collateral, Forman
19 Financial Services, Inc. and Michael Dewayne Lee, Jr. committed an act that constitutes fraud or
20 dishonest dealings in violation of Financial Code section 22161.

21 Pursuant to Financial Code section 22712, FFMS Management also known as FFM, FFM
22 Funding, FFM Services, FFM Collateral Services, FFM Fund, FFM Collateral, FFM Credit, FFM
23 Financial, FFM Lending, FFM Management, FFM Services Group, Forman Collateral, Forman
24 Financial Services, Inc. and Michael Dewayne Lee, Jr. are hereby ordered to desist and refrain from
25 engaging in the business of a finance lender and/or broker in the State of California without first
26 obtaining a license from the Commissioner, or otherwise being exempt.

27 Under Financial Code section 22712, FFMS Management also known as FFM, FFM
28 Funding, FFM Services, FFM Collateral Services, FFM Fund, FFM Collateral, FFM Credit, FFM

1 Financial, FFM Lending, FFM Management, FFM Services Group, Forman Collateral, Forman
2 Financial Services, Inc. and Michael Dewayne Lee, Jr. are hereby ordered to desist and refrain from
3 committing an act that constitutes fraud or dishonest dealings in violation of Financial Code section
4 22161.

5 This Order is necessary, in the public interest, for the protection of consumers and consistent
6 with the purposes, policies and provisions of the California Financing Law. This Order shall remain
7 in full force and effect until further order of the Commissioner.

8 Dated: November 29, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



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11 By: _____
12 MARY ANN SMITH
13 Deputy Commissioner
14 Enforcement Division
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