
 *
IN THE MATTER OF: *
 *
WATERBURY FINANCIAL LLC *
(“Waterbury Financial”) *
 *
DAVID SYLVESTER WATSON SR *
(NMLS #278341) *
(“Watson”) *
 *
(“Respondents”) *
 *

**FINDINGS OF FACT,
 CONCLUSIONS OF LAW
 AND ORDER**

INTRODUCTION

This matter concerns alleged violations of Chapter 668 of the Connecticut General Statutes, to wit, engaging in the business of making residential loans in Connecticut without a license, acting as a mortgage broker in this state without a license, and engaging in the business of mortgage loan originator in Connecticut without a license. The Respondents are Waterbury Financial LLC (“Waterbury Financial”) and David Sylvester Watson Sr. (“Watson”). Based on the Findings of Fact and Conclusions of Laws set forth below, the Orders set forth below are imposed against the Respondents.

PROCEDURAL HISTORY

The Banking Commissioner (“Commissioner”) is charged with the administration of Part I of Chapter 668, Sections 36a-485 to 36a-534b, inclusive, of the Connecticut General Statutes, “Mortgage Lenders, Correspondent Lenders, Brokers and Loan Originators.” The above-referenced matter was initiated after an investigation conducted by the Consumer Credit Division (“Division”) of the State of Connecticut Department of Banking and upon charges brought by the Commissioner against the Respondents. On March 24, 2021, the Commissioner issued a Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty, and Notice of Right to Hearing (“Notice”) against Respondents.

The Notice alleged that: 1) Respondent Waterbury Financial violated Section 36a-486(a) of the Connecticut General Statutes by engaging in the practice of making residential loans in this state without a license; 2) Respondent Waterbury Financial acted as mortgage broker in Connecticut without a license in violation of Section 36a-486(a) of the Connecticut General Statutes; and 3) Respondent Watson engaged in the business of mortgage loan origination in Connecticut without a license in violation of Section 36a-486(b) of the Connecticut General Statutes. The Notice further alleged that each of the foregoing allegations supported the entry of an order to cease and desist pursuant to Sections 36a-494(b)

and 36a-52(a) of the Connecticut General Statutes, an order to make restitution pursuant to Sections 36a-494(b) and 36a-50(c) of the Connecticut General Statutes, and the imposition of a civil penalty pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes.¹

The Notice was issued by certified mail, return receipt requested, to Respondents. On April 2, 2021, Respondents filed an Appearance and Request for Hearing. (HO Ex. 1).² On April 7, 2021, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer appointing Attorney Eric Beckenstein as Hearing Officer. (HO Ex. 2.)³ The Notification of Hearing and Designation of Hearing Officer was sent electronically to the Hearing Officer, to Melissa Desmond, Prosecuting Attorney for the Division, and to Respondents. A hearing was initially scheduled for May 27, 2021 (Id.). A remote hearing was conducted on June 16, 2022, via videoconference using the Microsoft Teams platform, and held in accordance with Chapter 54 of the Connecticut General Statutes, Section 149 of the June Special Session Public Act 21-2, the Uniform Administrative Procedures Act (“UAPA”), and the Department of Banking Remote Hearing Guidelines available on the Department’s website at <https://portal.ct.gov/dob>.

Division staff attorney Melissa A. Desmond appeared as Prosecuting Attorney on behalf of the Division. Richard Cortes, Principal Banking Examiner, Consumer Credit Division, appeared as a witness on behalf of the Division. Certified court reporting service, Falzarano Court Reporters, LLC, recorded and transcribed the hearing.

FINDINGS OF FACT

1. Waterbury Financial, a domestic limited liability company, is listed on C.O.N.C.O.R.D, an official State of Connecticut business assistance website, now business.ct.gov, that includes state business and UCC filings.
2. As of March 21, 2014, Waterbury Financial maintained an office at 65 Pemberton Street, Waterbury, Connecticut, which is also the residential address for David Sylvester Watson Sr., managing member of Waterbury Financial. (DOB Ex. 1 at 2.) Watson also held a business address at 786 East Main Street, Waterbury, Connecticut 06702. (DOB Ex. 1 at 2.)
3. At all relevant times to this proceeding, Watson served as managing member and held the title of senior vice-president of Waterbury Financial. (Id., DOB Ex 9; Tr. at 50; DOB Ex. 6 at 1.)
4. Waterbury Financial maintained a website (www.waterburyfinancial.com) where Watson advertised and listed conventional owner occupied mortgage loans as one of Waterbury Financials services in Connecticut. (DOB Ex. 6 at 2.) The web page included a reference to “conventional owner occupied mortgages.” (Tr. at 23; DOB Ex. 6.)

¹ Section 36a-50(a) authorizes the Commissioner to impose a civil penalty up to One Hundred Thousand Dollars (\$100,000) per violation.

² On April 2, 2021, the Respondent’s filed an Appearance and Request for Hearing. The Hearing Officer referenced the Notice at the inception of the hearing. (Tr. at 10-11.) The Respondents’ Appearance and Request for Hearing is incorporated by reference and attached to the Notice. The Hearing officer hereby includes HO Exhibit 1 in the record.

³ The Hearing Officer hereby includes HO Exhibit 2 in the record.

5. On February 8, 2017, the Commissioner received a complaint from a Connecticut client of Waterbury Financial (“Borrower KL”), alleging that Borrower KL paid Respondents to obtain home loan mortgage financing, but that Respondents failed to provide financing or refund the fees paid by Borrower KL (DOB Ex. 1 at 3-6.)
6. Borrower KL issued three checks to Waterbury Financial totaling \$1,218, including an initial check for \$100.00 on October 13, 2016, a second check for \$468.00 on October 25, 2016, and a final check in the amount of \$650.00 on November 9, 2016. (DOB Ex. 2, at 1.)⁴
7. After two months, the Respondents failed to produce a loan. Due to delay caused by the Respondents, Borrower KL paid \$350 to extend a purchase agreement for a particular home. Borrower KL was not responsible for the Respondent’s failure to produce a loan. (DOB Ex. 1 at 4; Tr. at 29.)
8. Based on representations made by Respondents, including online advertising, Borrower KL understood that he was applying for traditional mortgage loans to refinance a condominium and to purchase residential property in Connecticut. (DOB Ex. 1 at 4, DOB Ex. 3, DOB Ex. 6.)
9. Watson attempted to establish that Waterbury Financial was seeking to furnish a commercial loan to Borrower KL rather than a residential mortgage loan as alleged by the Division. If that were the case, Respondents would not be required to maintain a residential license – for acting as mortgage broker or loan originator - and would not be in violation of Section 36a-486(a) or Section 36a-486(b) of the Connecticut General Statutes. (Tr. at 61-64.)
10. The word “commercial” appeared on a contract template or form that Watson furnished to the Division. Watson sought to rely on this form to show that Waterbury Financial was solely involved in commercial loans, was not required to maintain a residential license and therefore Respondents were not in violation of Section 36a-486(a) or Section 36a-486(b) of the Connecticut General Statutes. (DOB Ex. 2 at 2.)
11. In response to a request from Attorney Desmond for records, Watson provided Attorney Desmond with an unsigned sample of a Waterbury Financial contract (DOB Exhibit 2.) The contract form was never furnished to Borrower KL and included only one signature, an auto signature for Watson. (Tr. at 19-20.) Watson testified, “That’s the contract that I sent to her [Attorney Desmond] to indicate to her that here’s what a typical contract would look like if a client came to apply for a loan. It would indicate that we are commercial lenders doing investment properties only. (Id., Tr. at 60-61.) The document included, in pertinent part, the following language: “This is not a loan commitment ...” The largely illegible copy reflected that the document pertained to a contract for a commercial loan. (Tr. at 31-32; DOB Ex. 2 at 2.)
12. Watson applied for a mortgage loan originator license in 2010, ultimately abandoning his application, effective July 29, 2010. (DOB Ex. 6; Tr. at 38-39; DOB Ex. 7 at 1; DOB Ex. 5 at 1) Since then, Watson’s Connecticut Mortgage Loan Originator License status has remained “Withdrawn – Application Abandoned.” (DOB Ex. 7; DOB Ex. 5; Tr. at 49.)

⁴ Borrower KL’s complaint and the Temporary Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing, mistakenly reflect that the three checks from Borrower KL (\$100, \$468, \$650) total \$1,268, when the correct sum is \$1,218.

13. The Nationwide Multistate Licensing System & Registry (“NMLS”) consumer access database confirms that at all relevant times Respondents did not hold a license authorizing them to engage in residential broker/mortgage originator activities. (DOB Exhibit 4 at 2; <http://www.nmlsconsumeraccess.com>.) Respondent was never licensed to engage in the business of originating residential loans or acting as a mortgage broker in this state. (DOB Exhibit 7, at 2.)
14. Following up on Borrower KL’s February 2017 complaint to the Department, on February 14, 2017, Associate Financial Examiner Deborah Buckley (“Buckley”) of the Department of Banking Consumer Affairs Division, informed Respondents in writing that a Connecticut borrower and customer of Waterbury Financial had filed a complaint alleging that Respondents engaged in residential mortgage broker / originator activities in Connecticut without a license. (DOB Ex. 4 at 1.) In her letter Buckley cited those provisions of the Connecticut General Statutes prohibiting origination of residential mortgage loans or acting as a broker without a license for the entity’s main and branch offices. (Id.)
15. Buckley further stated that 1) Respondents could face potential civil penalties of up to \$100,000; 2) Watson was entitled to “respond with a detailed explanation as to why Waterbury Financial LLC, David S. Watson, Senior Vice President would be exempt ...” (DOB Exhibit 4, page 2); and 3) Respondents should demonstrate that all fees have been refunded, Borrower KL’s tax documents returned, and list all residential mortgage broker/ originator activities performed in Connecticut. (Id., at 2.) Buckley also requested a written response no later than three weeks following the date of her letter (DOB Exhibit 4 at 1.)
16. The Respondents failed to answer Buckley’s letter of February 14, 2017. (DOB Ex. 4; Tr. at 51.)
17. Watson provided no evidence prior to or during the hearing to support his assertion that the proposed deal with Borrower KL was strictly for a “commercial conventional owner occupied mortgage.” (Tr. at 23, 36-37.) Watson provided no documentary evidence establishing that any of the three cited payments were for a commercial appraisal, inspection, and application fee on an investment property. (Tr. at 61; Tr. at 69-72.)
18. Email exchanges from February 10, 2017 through February 14, 2017 between Borrower KL and Buckley clarified Borrower KL’s intent with regard to the loan request furnished to Waterbury Financial (DOB Ex. 3):

Buckley: “Your complaint references ‘the home we were looking to purchase.’ According to the Waterbury Financial website, they are commercial lenders. [http:// www.waterburyfinancial.com/contacts2.html](http://www.waterburyfinancial.com/contacts2.html). Was the purpose of the loan to purchase, build or improve property that you intended to be your personal residence or an investment property, with you living offsite?” (Id; Tr. at 33-34.)

Borrower KL: “He stated that he was able to get us a traditional mortgage. We were purchasing the home for ourselves. We were going to move from our condo into the home. He was going to refinance our condo to use the funds from that as a down payment on the home. We were then going to rent the condo out...” (Id; Tr. at 33-34.)

Buckley: “Please advise me as to whether there was only one mortgage with Mr. Watson (refi condo w. intention to rent it out) or two mortgages

with Mr. Watson – in addition to condo refi, another mortgage to purchase?” (Id; Tr. at 33-34.)

Borrower KL: “It was a refi on the condo, and also the mortgage for the purchase of a house. So, I guess you would say two mortgages.” (Id; Tr. at 33-34.)

19. Referring to Respondents’ failure to produce loan documents following the Division’s request, Attorney Desmond asked Watson whether he “typically takes fees from a client without them filling out an application or a contract.” (Tr. at 69-70.) Watson testified that his practice was not to accept fees absent supporting documents, but that, in this case, a software virus destroyed his computers, including electronic records. (Tr. at 70-71.) Watson added that he had sent the Division receipts for his purchase of new computers (Tr. at 70): “I sent you the receipts that we just purchased new computers, so we had a virus or something that shut down completely our system, so I had to get new computers.” (Tr. at 70.)
20. When asked whether hard copies of records existed, Watson testified that “all” remaining records were “lost” in the foreclosure of his office building at 265 Meriden Road in 2016-2017. (Tr. at 71.)
21. Richard Cortes (“Cortes”) is a Principal Banking Examiner with the Consumer Credit Division of the State of Connecticut Department of Banking. Cortes supervises licensing and examinations and is the assigned supervisor for Buckley. (Tr. at 27-28.)
22. Cortes testified that he reviewed Borrower KL’s complaint, including Borrower KL’s request for reimbursement of \$1,268 [sic] in fees, \$350 for an extension of the contract on a particular home for Borrower KL and a return of the Borrower KL’s tax records. (Tr. at 29.) Cortes concluded that two loans were involved, whereby Borrower KL hoped to refinance his condo residence, using the funds to purchase a home, and eventually rent out the condominium. (Tr. at 43, 45) Both properties were owner occupied residences. (Tr. at 35, 45.)

DISCUSSION

Evidence and Burden of Proof

The applicable standard of proof in Connecticut administrative law cases, including those involving fraud and severe sanctions, is the preponderance of the evidence standard. *Goldstar Medical Services v. Department of Social Services*, 288 Conn. 790, 819 (2008). “An administrative finding is supported by substantial evidence if the record affords a substantial basis of fact from which the fact in issue can be reasonably inferred.” Id. The Department bears the ultimate burden of proving the elements of the offense by a preponderance of the evidence in support of the Commissioner’s findings. See *Bialowas v. Commissioner of Motor Vehicles*, 44 Conn. App. 702, 692 A.2d 834.

The Best Evidence Rule forces a party to produce an original writing whenever available, and when the terms of that writing are material and must be proved. This rule applies when attempting to prove the contents of documents including contracts, instruments, and wills, when a minor word variation can have a major impact. See *Coelm v. Imperato*, 23 Conn. App. 146, 150, 579 A.2d 573, cert. denied, 216 Conn. 823, 581 A.2d 1054 (1990). “[With] a document that he cannot produce ... a party must demonstrate both (a) the former existence and the present unavailability of the missing document, and (b) the contents of the missing document.” *Connecticut Bank & Trust Co. v. Wilcox*, 201 Conn. 570, 573,

518 A.2d 928 (1986); see also *Host America Corp. v. Ramsey*, 107 Conn. App. 849, 855, 947 A.2d 957, *cert. denied*, 289 Conn. 904, 957 A.2d 870 (2008). Finally, the Hearing Officer notes that the combination of testimony and corroborating documentary evidence such as an agreement would be more persuasive than either testimony or records alone. See *Brown v. Connecticut Department of Mental Health, Addiction*, Case 04053 CRB-02-99-05 (July 27, 2000).

Failure to Provide Records

A central issue in this matter is the nature of the loan Borrower KL was seeking. Cortes confirmed that despite clear notice from Buckley of potential regulatory violations, there was no response from Watson, no explanation, and no documents were furnished to the Department. (DOB Ex. 4; Tr. at 51, 70.) The Respondents failed to provide requested evidence to the Department including basic records or an agreement. Watson simply provided the Department with an unsigned sample contract. (DOB Exhibit 2.) The contract is not persuasive evidence of a commercial loan because it is a template that includes only one computer-initiated “auto” signature, that of Watson. (Tr. at 19-20.) The combination of testimony from Cortes, emails, copies of checks, and written communications between Borrower KL and Buckley proved more persuasive to the Hearing Officer in establishing the nature of the loan to be procured for Borrower KL. (Tr. at 52, 60, 69.)

Further, Respondents failed to provide credible testimony, including the basis for their failure to submit evidence to the Department to establish the nature of the loan Borrower KL was seeking. Watson testified: “[T]he contract is not clear, so I don’t – I can’t speak to a contract that is unclear, because neither of us can read what’s on the contract.” (Tr. at 66.) Watson could not remember the transaction with Borrower KL, but immediately recalled that it involved “a non-owner occupied investment loan” which would not require Waterbury Financial to have a license. (Tr. at 62.) Watson was evasive about failing to provide the Department with records pertaining to an agreement or specified fees associated with Borrower KL’s transaction. (Tr. at 69.) Seeking to explain why the Waterbury Financial website appeared to describe residential loan origination and advertise “conventional owner occupied mortgage[s],” Watson stated that “...Soft, Small Balance, Bridge and Hard Money Loans” on the Waterbury Financial website referred to Waterbury Financials’ ability to offer *commercial* conventional owner occupied mortgages. (DOB Ex. 6 at 2; Tr at 23, 24, 63.)

A Computer Virus and Bank Foreclosure

An adverse inference may be drawn based on “the destruction or significant alteration of evidence, or the failure to preserve property for another's use as evidence in pending or reasonably foreseeable litigation.” *West v. Goodyear Tire & Rubber Co.*, 167 F.3d 776, 779 (2d Cir. 1999); *Residential Funding Corp.*, 306 F.3d at 108. The Hearing Officer draws an adverse inference regarding the content of the missing records and finds that any such evidence would likely prove unfavorable or insufficient to counter the evidence in the record. See *State v. Shashaty*, Supreme Court of Ct., No. 16088 (12/28/99).

The Hearing Officer is not persuaded that the purchase of one or more computers supports the proposition that Respondent’s fell victim to a computer virus and that an ensuing foreclosure is the reason Respondents were ultimately left with no paper records. Based on the available evidence, the Hearing Officer finds that Respondents engaged in the practice of making residential loans without a license, acted as a mortgage broker without a license, and engaged in the business of mortgage loan origination in Connecticut without a license.

CONCLUSIONS OF LAW

Jurisdiction and Procedure

1. The Commissioner is charged with the administration of Part I of Chapter 668, Sections 36a-485 to 36a-534b, inclusive, of the Connecticut General Statutes, "Mortgage Lenders, Correspondent Lenders, Brokers and Loan Originators".
2. The Commissioner has jurisdiction over the licensing and regulation of mortgage lenders, correspondent lenders, brokers and loan originators pursuant to Part I of Chapter 668, Sections 36a-485 to 36a-534b, inclusive, of the Connecticut General Statutes.
3. The March 24, 2021 Notice issued by the Commissioner against Respondents comported with the requirements of Section 4-177(b) of Chapter 54 of the Connecticut General Statutes and with Sections 36a-50 and 36a-52 of the Connecticut General Statutes.
4. Respondents received notice of the hearing and an opportunity to present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner.

Waterbury Financial Violated Section 36a-486(a) of the Connecticut General Statutes by Engaging in the Business of Making Residential Loans and Acting as a Mortgage Broker Without a License

5. Section 36a-486(a) provides, in pertinent part, that: "No person shall engage in the business of making residential mortgage loans or act as a mortgage broker in this state unless such person has first obtained a license ... Any such person ... shall also obtain a mortgage loan originator license prior to conducting such business ... A person... shall be deemed to be engaged in the business of making residential mortgage loans if such person advertises, causes to be advertised, solicits or offers to make residential mortgage loans, either directly or indirectly. A person ... shall be deemed to be acting as a mortgage broker if such person advertises or causes to be advertised that such person will negotiate, solicit, place or find a residential mortgage loan, either directly or indirectly.
6. It remains uncontested that, at all relevant times in this matter, Respondents maintained a website www.waterburyfinancial.com including conventional owner occupied mortgage loans as one of Waterbury Financials services in Connecticut. (DOB Ex. 6 at 2.) The website advertised "conventional owner occupied mortgages." (Tr at 23; DOB Exhibit 6.) Further, the Respondents lacked a mortgage broker license when the Borrower KL issued three checks to Waterbury Financial totaling \$1,218.00. Also uncontested was the Respondents' failure to produce a loan or refund the aforementioned fees, causing Borrower KL to pay \$350 to extend the time frame to purchase a particular home. (Tr. at 29; DOB Ex. 2, at 1.) Based on representations made by the Respondents, including online advertising, the Hearing Officer finds that the Respondents advertised that Waterbury Financial would negotiate, solicit, place or find a residential mortgage loan, either directly or indirectly, leading Borrower KL to apply for traditional mortgage loans to refinance a condominium and to purchase a particular residential property in Connecticut. (DOB Exhibit 1 at 4.)

Watson Violated Section 36a-486(b) of the Connecticut General Statutes by Acting as a Mortgage Loan Originator Without a License

7. Section 36a-486(b) of the Connecticut General Statutes provides, in pertinent part, that: (1) No person licensed as a mortgage lender, mortgage correspondent lender or mortgage broker shall

engage the services of a mortgage loan originator ... unless ... licensed under section 36a-489... An individual, unless specifically exempted ... shall be deemed to be engaged in the business of a mortgage loan originator if such individual: (A) Acts as a mortgage loan originator in connection with any residential mortgage loan on behalf of a licensee or person exempt under section 36a-487; or (B) makes any representation to the public ... that such individual can or will act as a mortgage loan originator... Each licensed mortgage loan originator and each licensed loan processor or underwriter shall register with and maintain a valid unique identifier issued by the system...

8. Nationwide Multistate Licensing System & Registry (“NMLS”) consumer access database records confirm that at all relevant times Watson did not hold a license authorizing engagement in residential broker/ mortgage originator activities. (DOB Exhibit 4 at 2.) Watson was never licensed to engage in the business of originating residential loans or acting as a mortgage broker in this state. (DOB Exhibit 7, at 2.) The State Mortgage Registry confirms that Watson withdrew his Connecticut Mortgage Loan Originator License application, effective July 29, 2010. (DOB Exhibit 7 at 1; DOB Exhibit 5 at 1.) Watson and Waterbury Financial nevertheless maintained a website including conventional owner occupied mortgage loans as one of Waterbury Financials services in Connecticut. (DOB Ex. 6 at 2.) The website advertised “conventional owner occupied mortgages.” (Tr at 23; DOB Exhibit 6.)
9. Based on representations from Respondents including online advertising, the Hearing Officer finds that the Respondents advertised that Waterbury Financial provides negotiation, solicitation, and placement or finding of residential mortgage loans, either directly or indirectly leading
10. Borrower KL to apply for traditional mortgage loans to refinance a condominium and to purchase a particular residential property in Connecticut. (DOB Exhibit 1 at 4.)

***The Foregoing Violations by Waterbury Financial and Watson
Support the Imposition of Sanctions by the Commissioner***

11. The violation of Section 36a-486(a) of Waterbury Financial and the violation of Section 36a-486(b) by Watson form the basis for the issuance of an order to cease and desist against Respondents pursuant to Sections 36a-494(b) and 36a-52(a) of the Connecticut General Statutes, an order to make restitution pursuant to Sections 36a-494(b) and 36a-50(c) of the Connecticut General Statutes and the imposition of a civil penalty against Respondents pursuant to Sections 36a-494(b) and 36a-50(a) of the Connecticut General Statutes;⁵
12. Section 36a-50(a) of the General Statutes of Connecticut gives the Commissioner discretion to order a civil penalty not exceeding One Hundred Thousand Dollars (\$100,000) per violation upon any person who has violated a law within the jurisdiction of the Commissioner. The Connecticut Supreme Court has stated that “[t]he assessment of civil penalties is a fact- specific and broadly discretionary determination.” *Rocque v. Light Sources, Inc.*, 275 Conn. 420, 450 (2005) “If the penalty meted out is within the limits prescribed by law, the matter lies within the exercise of the [agency’s] discretion and cannot be successfully challenged unless the discretion has been abused. *Gibson v. Connecticut Medical Examining Board*, 141 Conn. 218, 230, 104 A.2d 890 (1954)

⁵ Section 36a-50(a) authorizes the Commissioner to impose a civil penalty up to One Hundred Thousand Dollars (\$100,000) per violation.

ORDER

Based upon the record, I hereby find sufficient evidence to recommend to the Commissioner that the Commissioner **ORDER**, pursuant to Sections 36a-494(b), 36a-50(c), 36a-52(a), and 36a-50(a) of the General Statutes of Connecticut, that:

1. The Order to Cease and Desist issued against Waterbury Financial LLC on March 24, 2021, be made **PERMANENT** with respect to the violation of Section 36a-486(a) of the Connecticut General Statutes.
2. The Order to Cease and Desist issued against David Sylvester Watson Sr. on March 24, 2021, be made **PERMANENT** with respect to the violation of Section 36a-486(b) of the Connecticut General Statutes.
3. **A CIVIL PENALTY of THIRTY-THOUSAND DOLLARS (\$30,000)** be imposed upon Respondents, Waterbury Financial LLC and David Sylvester Watson Sr., jointly and severally, to be remitted to the Department by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut," no later than thirty (30) days from the date the Order is mailed.
4. The Order to Make Restitution issued against Waterbury Financial LLC and David Sylvester Watson Sr. on March 24, 2021, be made **PERMANENT** and Waterbury Financial LLC and David Sylvester Watson Sr., jointly and severally, shall make restitution as follows:
 - a) No later than forty-five (45) days from the date this Order becomes effective, restitution in the amount of **ONE THOUSAND TWO HUNDRED EIGHTEEN DOLLARS (\$1,218)** shall be made to Borrower KL by cashier's check, certified check or money order;
 - b) Within ninety (90) days from the date this Order becomes effective, Waterbury Financial LLC and David Sylvester Watson Sr. shall provide the Department with proof of the ordered restitution payment in the form of copies of checks and return receipts; and
5. The Order shall be entered and effective when mailed.

Dated at Hartford, Connecticut,
September 27, 2022.

_____/s/_____
Jorge Perez
Banking Commissioner

