

ENTERED
JUL 15 2016
3:00pm
COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2016-AH-00015

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

AMERICAN FINANCIAL RESOURCES, INC. (MC 23631)

RESPONDENT

* * * * *

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing entities engaged in mortgage brokering, origination, and processing in accordance with the provisions set forth in KRS Chapter 286.8.

2. American Financial Resources, Inc. (“Respondent”) is authorized to do business in Kentucky as a mortgage company licensee pursuant to KRS Chapter 286.8, with an office located at 9 Sylvan Way, Parsippany, NJ 07054. Respondent’s license number is MC23631. (ICIE# 348418)

3. DFI conducted an examination of the Respondent on July 21, 2015, and discovered that the licensee, while acting in its capacity as a wholesale mortgage lender, allowed a third party originator (mortgage broker) to collect total net income in excess of the fee limit imposed by KRS 286.8-125.

4. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, suspension or the imposition of civil penalties. See KRS 286.8-046 and 286.8-090.

5. In this case, DFI assessed a civil penalty against Respondent in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) for violating KRS 286.8.

6. In the interest of economically and efficiently resolving the violation(s) described herein, and without Respondent admitting or denying the statements of fact and legal conclusions herein, DFI and Respondent agree as follows:

a. Respondent agrees to a civil penalty assessment in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) for the violation(s) described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of Two Thousand Five Hundred Dollars (\$2,500.00). The payment shall be due upon entry of the Agreed Order. The payment shall be in the form of a certified check or money order made payable to **“Kentucky State Treasurer”** and mailed to the Department of Financial Institutions, Attn: Non-Depository Division – ORDER, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in KRS Chapter 286.8.

7. Respondent waives its right to demand a hearing at which it would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on its own behalf, or to otherwise appeal or set aside this Order.

8. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

9. Respondent agrees to cease and desist from using unlicensed loan processors or originators in Kentucky until such time as the requirements of KRS Chapter 286.8 are met.

10. In consideration of execution of this Agreed Order, Respondent for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

11. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

12. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 7th day of July, 2016.


CHARLES A. VICE
COMMISSIONER

Consented to:

This 15th day of July, 2016.

This 31st day of March, 2016.

Tammy R. Scruggs
Tammy Scruggs, Director
Division of Non-Depository Institutions
Department of Financial Institutions

[Signature]
Authorized Representative
American Financial Resources, Inc.
License # MC23631

ACKNOWLEDGEMENT

STATE OF New Jersey)
COUNTY OF Morris)

On this the 31st day of March, 2016, before me
Traci A. Zalinski, the undersigned,
Corey Dubroff, did personally appear and acknowledge
himself/herself to be the authorized representative for American Financial Resources, Inc.
and that he/she, entered into and executed the foregoing instrument for the purposes
therein contained.

My ~~Commission Expires:~~ _____

Traci A. Zalinski
~~Notary Public~~ Attorney-At-Law

TRACI A. ZALINSKI
ATTORNEY AT LAW OF
THE STATE OF NEW JERSEY

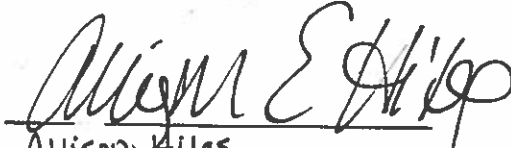
CERTIFICATE OF SERVICE

I, Allison Hiles, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 15 day of July, 2016, by certified mail, return receipt requested, to:

Mr. Kyle Palmer
American Financial Resources, Inc.
9 Sylvan Way
Parsippany, NJ 07054

Via hand-delivery to:

Gary A. Stephens
1025 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601



Allison Hiles
Department of Financial Institutions