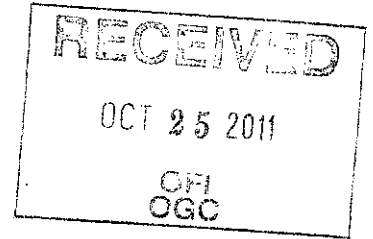


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0179



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

BRADLEY WYATT SMITH

RESPONDENT

* * * * *

1. The Department of Financial Institutions ("DFI") is responsible for regulating and licensing mortgage loan brokers, mortgage loan companies, mortgage loan originators, and mortgage loan processors in accordance with the provisions set forth in KRS Chapter 286.8, the Mortgage Licensing and Regulation Act (the "Act").

2. Bradley Wyatt Smith ("Respondent") was, at all relevant times herein, employed as a mortgage loan originator by Paramount Mortgage Funding, Inc. ("PMF, Inc."), a mortgage loan company licensed to conduct such business in Kentucky pursuant to the Act. Respondent is registered in Kentucky as a mortgage loan originator and his Nationwide Mortgage Licensing System and Registry ("NMLS") number is 8969.

3. In August 2011, the DFI began an investigation of a complaint alleging that an unregistered mortgage loan originator was transacting business in Kentucky in violation of the Act. During this examination, the DFI discovered that Respondent has been aiding a fellow employee of PMF, Inc. unlawfully engage in the business of a mortgage loan originator in Kentucky by allowing the other employee to originate a loan using Respondent's unique NMLS identifier. This activity constitutes a violation of KRS 286.8-220(2)(b), which makes it unlawful for any person, in connection with a transaction involving the mortgage loan process, or in connection with the operation of a mortgage loan business or the management or servicing of mortgage loans, directly or

indirectly to engage in any act, practice or course of business that operates or would operate as a fraud or deceit upon any person.

4. The DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, and/or the imposition of fines in an amount up to \$25,000 per violation. *See* KRS 286.8-046; 286.8-090.

5. In this case, the DFI has assessed a fine against Respondent in the amount of two thousand, five hundred dollars (\$2,500.00) for engaging in a fraudulent or deceptive act in Kentucky in violation of KRS 286.8-220(2)(b).

6. In the interest of economically and efficiently resolving the violation(s) described herein, the DFI and Respondent agree as follows:

- a. Respondent agrees to a fine assessment in the amount of two thousand, five hundred dollars (\$2,500.00) for the alleged violation(s) described herein;
- b. Respondent agrees to and shall pay the total fine assessed herein in a single installment payment of two thousand, five hundred dollars (\$2,500.00), which shall be due on the date Respondent executes the Agreed Order and returns it to the DFI, but in no event later than October 27, 2011. Said 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: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601; and
- c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set

forth in the Act and the regulations set forth in 808 KAR Chapter

12.

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

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

9. In consideration of execution of this Agreed Order, Respondent for himself, and for his successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, the 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.

10. 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.

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

IT IS SO ORDERED on this the 27th day of October, 2011.

CHARLES A. VICE
COMMISSIONER

Consented to:

This 20th day of October, 2011.

Nicole Biddle
Nicole Biddle, Director
Division of Non-Depository Institutions
Department of Financial Institutions

This 21st day of October, 2011.

Bradley Wyatt Smith
Bradley Wyatt Smith

ACKNOWLEDGEMENT

STATE OF Kentucky)

COUNTY OF Jefferson)

On this the 21st day of October, 2011, before me Connie K. Ege, the undersigned, Bradley Wyatt Smith, did personally appear and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: December 21, 2014

Connie K. Ege
Notary Public

Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 27th day of October, 2011, by certified mail, to the following:

Bradley Wyatt Smith
416 Highfiled Road
Louisville, Kentucky 40207

Michael T. Davis

Michael T. Davis
Department of Financial Institutions
1025 Capital Center Drive
Suite 200
Frankfort, Kentucky 40601
502-573-3390 ext. 240 (phone)
502-573-2183 (facsimile)