

ENTERED  
MAR 27 2024  
APR 8:30 AM  
COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2024-AH-0003

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

CMG LENDING CORPORATION (MB724766)

RESPONDENT

**AGREED ORDER**

1. The Department of Financial Institutions (hereafter "DFI") is responsible for regulating and licensing entities engaged in mortgage lending, brokering, origination, and processing in accordance with the provisions set forth in KRS Chapter 286.

2. CMG Lending Corporation ("Respondent") is authorized to do business in Kentucky as a mortgage broker licensee pursuant to KRS Chapter 286.8, with an office located at 13010 Factory Lane, Louisville, KY 40245. Respondent's license number is MB724766. (ICIE# 392624)

3. ~~DFI conducted an examination of Respondent on June 12, 2023. As result of the examination, DFI alleged that Respondent violated KRS 286.8-220(2)(i) by failing to fulfill the requirements of 12 USC §1008.111(f) and 12 USC §5104(e) when it submitted four Mortgage Call Report ("MCR") filings with incorrect information, and either failed to submit required MCR reports, or submitted late MCR reports, in twelve other instances.~~

**STATUTORY AUTHORITY**

4. KRS 286.8-220 (2) states, in part:

*No person shall, in connection with a transaction involving the*

*mortgage lending process, or in connection with the operation of a mortgage loan business or the management or servicing of mortgage loans, directly or indirectly: (i) To fail to comply with state or federal laws, including the rules and regulations thereunder, that are applicable to transacting business in Kentucky.*

5. 12 USC §1008.111(f) states:

*The supervisory authority must require a loan originator to ensure that all residential mortgage loans that close as a result of the loan originator engaging in activities described in §1008.103(b)(1) are included in reports of condition submitted to the NMLSR. Such reports of condition shall be in such form, shall contain such information, and shall be submitted with such frequency and by such dates as the NMLSR may reasonably require.*

6. 12 USC §5104(e) states:

*Each mortgage licensee shall submit to the Nationwide Mortgage Licensing System and Registry reports of condition, which shall be in such form and shall contain such information as the Nationwide Mortgage Licensing System and Registry may require.*

7. DFI possess a range of administrative authority in addressing violations of the KRS 286.8. See KRS 286.8-046 and KRS 286.8-090.

#### **VIOLATIONS**

8. DFI alleges that Respondent violated KRS 286.8-220(2)(i) by failing to fulfill the requirements of 12 USC §1008.111(f) and 12 USC §5104(e) when it submitted four

MCR filings with incorrect information, and either failed to submit required MCR reports, or submitted late MCR reports, in twelve other instances.

**AGREEMENT AND ORDER**

9. To resolve this matter without litigation or other adversarial proceedings, DFI and Respondent agree to compromise and settle all claims arising from the above-referenced factual background in accordance with the terms set forth herein.

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

- a. DFI assesses, and Respondent agrees to pay, a civil penalty assessment in the amount of Four Thousand Dollars (\$4,000). The Respondent will pay four equal installments of One Thousand Dollars (\$1,000), with the first installment due upon entry of the Agreed Order. Subsequent payments will be due on the last business day of each month, beginning the month after this Agreed Order is entered, and continuing until the civil penalty is paid in full.
- b. Payment of the civil penalty shall be made electronically through the NMLSR system; and
- c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all the statutory requirements set forth in KRS Chapter 286.8.

11. 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.

12. 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 but otherwise neither admits nor denies the validity of the allegations in this agreed order.

13. By signing below, Respondent acknowledges it has read the foregoing Agreed order, knows and fully understand its contents, and that the individual signing on behalf of Respondent is authorized to enter into and execute this Agreed Order and legally bind Respondent.

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

**IT IS SO ORDERED** on this the 27th day of March, 2024.

*/s/ Marni Rock Gibson*

MARNI R. GIBSON  
ACTING COMMISSIONER




**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 21 day of March, 2024, by certified mail, return receipt requested, to the following:

Mr. Colin McDowell  
CMG Lending Corporation  
13010 Factory Lane  
Louisville, KY 40245

And by hand-delivery to:

Kathryn Adams Cornett  
Kentucky Department of Financial Institutions  
500 Mero Street, 2SW19  
Frankfort, Kentucky 40601  
Counsel for the Complainant

  
Name: Allison Reed  
Title: Executive Staff Advisor  
Department of Financial Institutions