

# TEAM KENTUCKY®

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## PUBLIC PROTECTION CABINET

Department of Financial Institutions

**2023 ANNUAL REPORT**

# 2023 ANNUAL REPORT

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**SUPERVISING KENTUCKY'S FINANCIAL INDUSTRY FOR 112 YEARS.**



**PUBLIC PROTECTION CABINET**  
**Kentucky Department of Financial Institutions**

500 Mero Street, 2SW19  
Frankfort, KY 40601  
Phone: (502) 573-3390  
KFI@ky.gov

**Andy Beshear**  
GOVERNOR

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

**Ray A. Perry**  
SECRETARY

**DJ Wasson**  
DEPUTY SECRETARY

**Marni Rock Gibson**  
COMMISSIONER

Dear Governor Beshear,

The Kentucky Department of Financial Institutions (“Department”) is pleased to present the 2023 Annual Report. Despite the continued financial strains of inflation, increased interest rates, and the reinstatement of student loan payments in 2023, the Department and Kentucky’s financial services industry remain strong, a testament to this administration’s priorities and values.

Consolidation continued for the banking industry. The number of state-chartered banks declined from 101 in 2022 to 99 in 2023. State-chartered credit unions and non-depository trust companies’ numbers remained steady, with 18 and 4 institutions under the Department’s supervision, respectively. Assets for these institutions remained very strong and showed increases across the board.

The number of non-depository licenses decreased from 12,159 in 2022 to 10,898 in 2023; however, the division completed 135 total examinations at mortgage companies and brokers, up 9.8 percent from 2022. The Department also placed a large focus on consumer protection. In 2022, we processed 78 non-depository complaints and in 2023, the number increased to 130, demonstrating our commitment to stopping unethical behavior and financial crimes against Kentucky citizens.

The Securities Enforcement Branch continues to be a high-performing team, keeping Kentuckians safe during challenging times

when bad actors try to take Kentuckian’s hard-earned money. In 2023, the Securities Division ordered over \$1.9 million in enforcement action fines and over \$8.5 million in restitution to clients and investors.



Marni Rock Gibson  
Commissioner

To help fight the increasing financial scams impacting citizens across the Commonwealth, the Department doubled down on educational outreach. We launched our first-ever investment fraud campaign across the Commonwealth, which reached consumers by radio, print, and on social media. We collectively attended dozens of speaking and outreach events, stretching across metro and rural areas alike.

All of this tremendous work could not happen without our dedicated employees, several of whom continue to serve on national boards and regulatory working groups. Their efforts help advocate for Kentucky citizens and a stable financial industry, even during times of challenge or uncertainty. Our stakeholders must also be commended for their diligent collaboration and support.

The Department continues to operate effectively and efficiently, ensuring our financial services industry remains strong for consumers, and remains steadfast in serving Team Kentucky.

Sincerely,

*Marni Rock Gibson*  
Commissioner

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## COMMISSIONERS 1912-2024

YEAR	COMMISSIONER	GOVERNOR	YEAR	COMMISSIONER	GOVERNOR
1912	Thomas J. Smith	James B. McCreary	1982	Foster Pettit*	John Y. Brown Jr.
1916	George G. Speer	Augustus O. Stanley	1983	Morris R. Smith	John Y. Brown Jr.
1920	James Lewis	Edwin P. Morrow	1983	Tracy Farmer*	John Y. Brown Jr.
1924	Charles E. Marvin	William J. Fields	1983	Neil Welch*	John Y. Brown Jr.
1928	O.S. Denny	Flem D. Samson	1983	Leonard B. Marshall	John Y. Brown Jr.
1930	C.S. Wilson	Flem D. Samson	1984	Ballard W. Cassady Jr.	Martha Layne Collins
1931	J.R. Dorman	Ruby Laffoon	1986	Thomas B. Miller	Martha Layne Collins
1935	Hiram Wilhoit	A.B. Chandler	1988	Edward B. Hatchett Jr.	Wallace G. Wilkinson
1939	Hiram Wilhoit	Keene Johnson	1992	Edward B. Hatchett Jr.	Brereton C. Jones
1943	Hillard H. Smith	Simeon S. Willis	1994	Edward J. Holmes	Brereton C. Jones
1948	Henry H. Carter	Earle C. Clements	1995	J. Rick Jones*	Brereton C. Jones
1951	Henry H. Carter	Lawrence W. Wetherby	1996	Larry D. Lander	Paul E. Patton
1955	R.E. Glenn	Lawrence W. Wetherby	1997	Ella D. Robinson*	Paul E. Patton
1956	S. Albert Phillips	A.B. Chandler	1998	Arthur L. Freeman	Paul E. Patton
1958	Earle B. Combs	A.B. Chandler	1999	Ella D. Robinson	Paul E. Patton
1960	H.A. Rogers	Bert T. Combs	2004	Tom B. Miller**	Ernie Fletcher
1964	H.A. Rogers	Edward T. Breathitt	2005	Cordell G. Lawrence**	Ernie Fletcher
1965	G.D. Beach	Edward T. Breathitt	2007	Cordell G. Lawrence**	Steven L. Beshear
1968	E.G. Adams	Louie B. Nunn	2008	Charles A. Vice	Steven L. Beshear
1971	Lenvil R. Hall	Wendell H. Ford	2015	Charles A. Vice	Matthew G. Bevin
1971	Perry R. Miller*	Wendell H. Ford	2021	Charles A. Vice	Andy Beshear
1973	Howard T. Sallee	Wendell H. Ford	2022	Justin M. Burse*	Andy Beshear
1975	John Williams Jr.	Julian M. Carroll	2023	Marni Rock Gibson*	Andy Beshear
1980	Randall L. Attkisson	John Y. Brown Jr.	2024	MARNI ROCK GIBSON	ANDY BESHEAR

\*Acting

\*\*Executive Director

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## HISTORY

**The Banking Act of 1912** originally established Kentucky's Department of Banking. The act charged the department with enforcing laws relating to banks, trust companies, savings banks, and combined bank and trust companies doing business under Kentucky law. The first annual report listed six employees—a commissioner, a deputy, a clerk, and three examiners. Initially, the department supervised 466 commercial banks, savings banks, independent trust companies, and title companies with total assets of \$110 million.

Kentucky's legislature mandated supervision of state-chartered savings (building) and loan associations in 1918 and added state-chartered credit un-

ions in 1922. When the agency began to oversee the state's securities industry in mid-1932, it was renamed the Department of Banking and Securities.

Over the years, other regulatory responsibilities were added, including consumer and industrial loan companies in 1946, companies that sell money orders in 1966, mortgage loan companies and brokers in 1980, and check-cashing companies in 1992. As the agency's scope increased to include other types of financial institutions, the organizational structure and name changed as well, to the current Department of Financial Institutions (DFI).



**"JESSE JAMES MURAL"**  
In lobby of Southern Deposit Bank — Russellville, Kentucky

*"Jesse James Mural", in lobby of Southern Deposit Bank. (Printed version reads: "Mural depicting 1868 robbery of Southern Bank of Kentucky, said to be the first bank robbed by Jesse James' gang. This institution, now Southern Deposit Bank, has been in continuous operation since 1839. The original building, scene of the robbery, still stands at Sixth and Main Street, in Russellville, Kentucky. Painted by Burnard Wiley, 1033 Berwick Trail, Madison, Tenn.") (creator unknown), retrieved from <https://exploreuk.uky.edu>*



# DEPARTMENT OF FINANCIAL INSTITUTIONS

## MISSION, VISION & VALUES

### Mission

The Department of Financial Institutions' mission is to serve Kentucky residents by promoting access to a stable financial industry, implementing effective and efficient regulatory oversight, enforcing consumer protections, encouraging economic opportunities, and encouraging sound financial decisions through financial empowerment programs.

### Vision

DFI will lead in developing and advancing effective financial services regulation in Kentucky. It will respond to emerging industry trends and issues, and it will implement appropriate regulatory strategies. DFI will strive to educate members of the public on making sound financial decisions to protect their financial interests.

### Values

**Effective and Efficient Operations** – We will wisely use the resources entrusted to us by the Commonwealth.

**Responsibility** – We accept the serious nature of the duties entrusted to us, and we are willing to be held accountable for the actions we choose.

**Professionalism** – We will provide quality services, which will be achieved through excellence, accountability, innovation, and a highly skilled workforce.

**Integrity** – We will act honestly, fairly, and impartially.

**Teamwork** – We will achieve organizational goals through open, responsive communication and cooperation with co-workers, other state government agencies, and federal regulatory authorities.

**Respect** - We will be sensitive to the viewpoints and efforts of others, and we will strive to meet the needs of all of our stakeholders.

**Initiative** - We will identify potential issues that may impact the financial services industry, formulate appropriate solutions, and proactively respond to change.

**Innovation** - We will encourage industry innovation relating to customer service and consumer protection, and use technology to provide effective supervision of the Kentucky financial services industry.

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## FINANCIAL INSTITUTIONS BOARD

The Financial Institutions Board is a statutory body that serves in an advisory capacity to the Governor and the DFI Commissioner. The board includes representatives from all segments of Kentucky's financial industries and the public at large. The DFI Commissioner serves as chair. Kentucky Revised Statute 286.1-013 defines the board's duties.

### CHAIR

**MARNI ROCK GIBSON**

Commissioner—Department of  
Financial Institutions

### CREDIT UNION INDUSTRY

**JAMES THOMPSON**

Autotruck Financial Credit Union—  
Louisville, KY  
Term Expires 10/26/2026

### CONSUMER FINANCE INDUSTRY

**SUSAN GUESS**

Paducah Bank—Paducah, KY  
Term Expires 10/26/2026

### SECURITIES INDUSTRY

**JONATHAN D. KING**

Edward Jones—Gilbertsville, KY  
Term Expires 10/10/2024

**JOHN W. RIDLEY**

Ridley and Hull Wealth Management  
of Stifel—Bowling Green, KY  
Term Expires 10/10/2024

**VACANT**

### BANKING INDUSTRY

**TERRY LYLE SPEARS**

Community Trust Bank—Pikeville, KY  
Term Expires 10/10/2024

**VACANT****VACANT**

### PUBLIC AT LARGE

**DEREK MILES**

Turner, Keal & Button, PLLC  
Term Expires 10/10/2025

**PEGGY WILLIAMS**

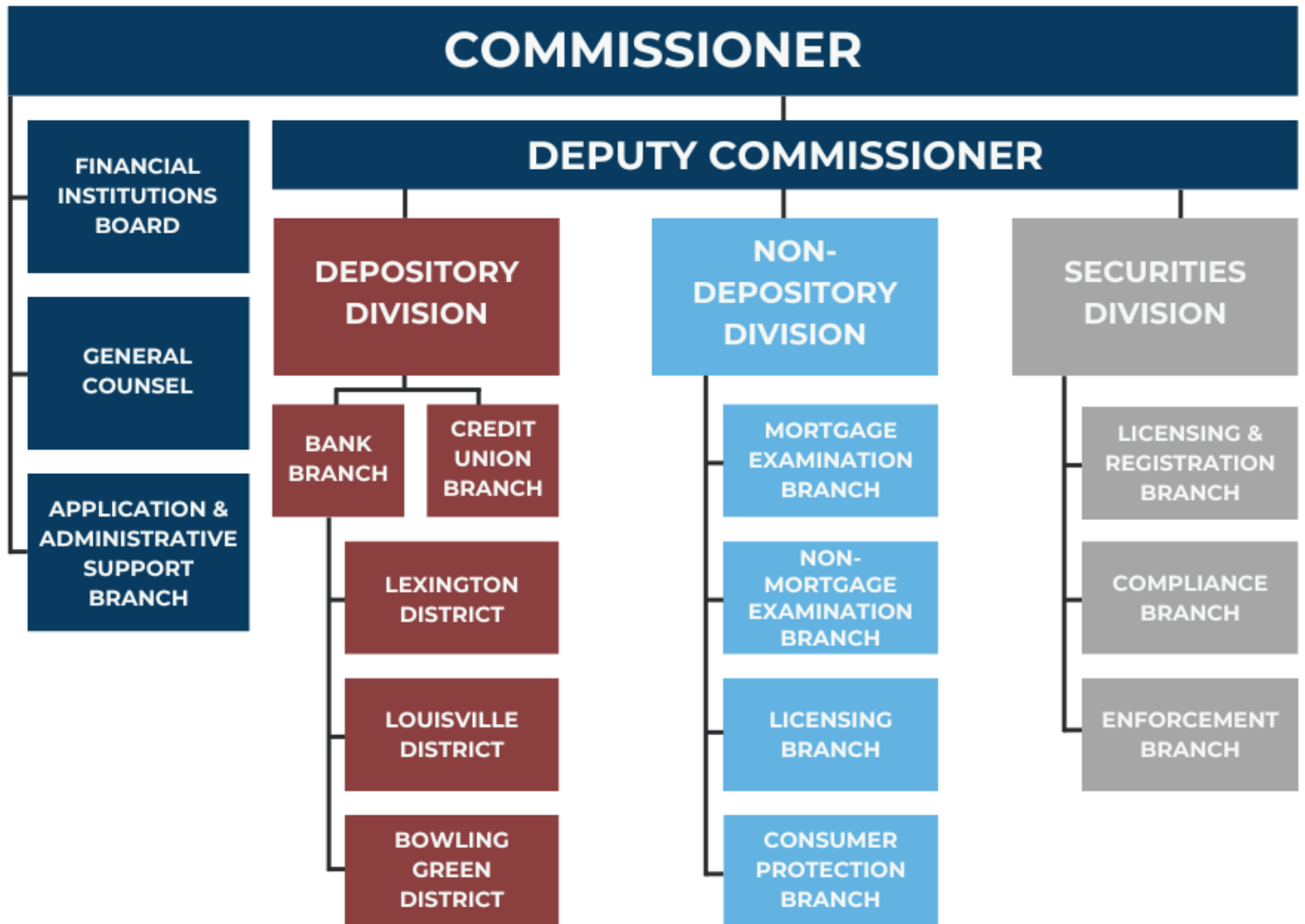
Old National Bank (Retired)—  
Greenville, KY  
Term Expires 10/10/2024

**MICHAEL DOUGLAS WILSON**

Citizens Guaranty Bank—Irvine, KY  
Term Expires 10/10/2025

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## ORGANIZATIONAL STRUCTURE





# DIVISION OF DEPOSITORY INSTITUTIONS

## Supervised in 2023

- **99 state-chartered banks,**  
with assets from **\$26.8 million** to **\$8.2 billion**
- **18 state-chartered credit unions,**  
with assets from **\$14.4 million** to **\$2.2 billion**
- **4 state-chartered non-depository trust companies,**  
with discretionary assets under management of **\$1 billion** to **\$11.7 billion**

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## DIVISION OF DEPOSITORY INSTITUTIONS

The DFI's Division of Depository Institutions consists of two branches: the Bank Branch and the Credit Union Branch. Division staff monitor and assess the safety and soundness of state-chartered banks, credit unions, and independent trust companies through regular examinations and offsite reviews.

In 2023, Division staff conducted a total of 56 examinations and visitations of depository institutions. Examiners use the CAMELS ratings system to assess and rate institutions, and each examination also includes an evaluation of the adequacy of an institution's Bank Secrecy Act program. Additionally, examiners will review governance over information technology and cybersecurity, as staffing permits. Division staff have worked diligently to oversee the industry during a challenging economic environment and remain committed to serving a role in preserving the stability of Kentucky's financial industry.

### 111th Annual Banking Report

As of year-end 2023, the Bank Branch supervised 99 banks holding total assets of \$67,567,109,000. Total assets at Kentucky state-chartered banks increased by 3.65 percent during 2023 despite two charters merging out of existence. Asset growth was centered in loans, as aggregate loans and leases grew by 7.72 percent and represented approximately 69.73 percent of total assets on average. Loan quality remains generally strong, with past due credits increasing minimally during 2023. The rapidly rising rate environment led to a devaluation in securities held in bank portfolios and related unrealized losses; however, Kentucky's banks remain in a generally strong liquidity position with the ability to hold these securities without recognizing the losses.

The rising rate environment also

resulted in increases in interest income and expense categories. The average yield on earning assets increased from 3.88 percent at year-end 2022 to 5.01 percent as of year-end 2023. Additionally, the average cost of funds increased from 0.41 percent to 1.53 percent during the same timeframe. These changes resulted in a small increase in the average Net Interest Margin from 3.46 percent to 3.49 percent. However, modest increases in noninterest and provision expenses, further declines in noninterest income, and continued asset growth led to a decline in the Return on Average Assets to 1.10 percent at year-end 2023. Additionally, the average Tier 1 Leverage Capital ratio declined by six basis points to 10.67 percent. However, this ratio for Kentucky banks continues to exceed the national average of 9.85 percent.

# DIVISION OF DEPOSITORY INSTITUTIONS

## STATE-CHARTERED BANKS

### BANK PERFORMANCE COMPARISON (AS OF 12/31/2023)

STATE	NUMBER OF BANKS	RETURN ON AVERAGE ASSETS	NET INTEREST MARGIN	TIER 1 LEVERAGE CAPITAL
<b>Kentucky</b>	<b>99</b>	<b>1.10%</b>	<b>3.49%</b>	<b>10.67%</b>
Illinois	233	1.02%	2.57%	9.70%
Indiana	65	1.01%	3.26%	10.08%
Missouri	194	1.38%	3.61%	9.59%
Ohio	92	1.28%	3.75%	10.37%
Tennessee	84	1.11%	3.46%	10.18%
Virginia	46	1.02%	3.44%	10.94%
West Virginia	38	1.04%	3.54%	10.12%
<b>NATIONAL</b>	<b>3,320</b>	<b>1.12%</b>	<b>3.40%</b>	<b>9.85%</b>

Figures represent weighted averages.

### BANK CHANGES

DATE	CITY	BANK
<b>Bank Mergers and Acquisitions</b>		
3/10/2023	Versailles	Citizens Commerce Bank, Versailles, Kentucky, was acquired by City National Bank of West Virginia, Charleston, West Virginia.
5/1/2023	Louisville	Limestone Bank, Louisville, Kentucky, was acquired by Peoples Bank, Marietta, Ohio.
10/1/2023	Glasgow	Edmonton State Bank, Glasgow, Kentucky, acquired Sumner Bank & Trust, Gallatin, Tennessee.
<b>Main Office Relocations</b>		
4/1/2023	Elizabeth-town	Magnolia Bank relocated its main office from 4910 L&N Turnpike, Magnolia, to 651 West Dixie Avenue, Elizabethtown, Kentucky.
5/8/2023	Auburn	Auburn Banking Company relocated its main office from 218 West Main Street, Auburn, Kentucky, to 236 Sugar Maple Drive, Auburn, Kentucky.
8/31/2023	Louisville	Eclipse Bank relocated its main office from 3827 Shelbyville Road, Louisville, Kentucky, to 13903 Promenade Way, Louisville, Kentucky.

# STATE-CHARTERED BANKS

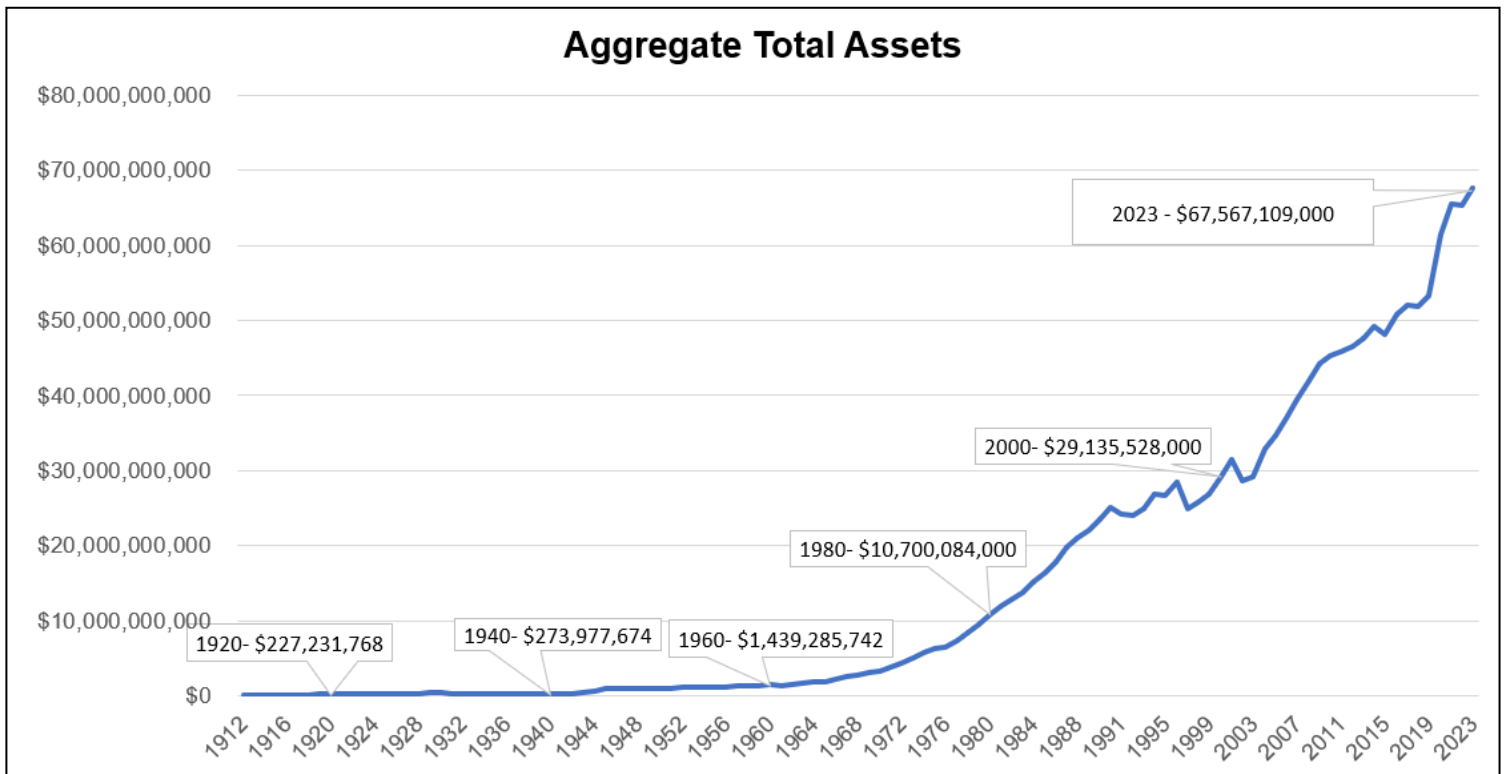
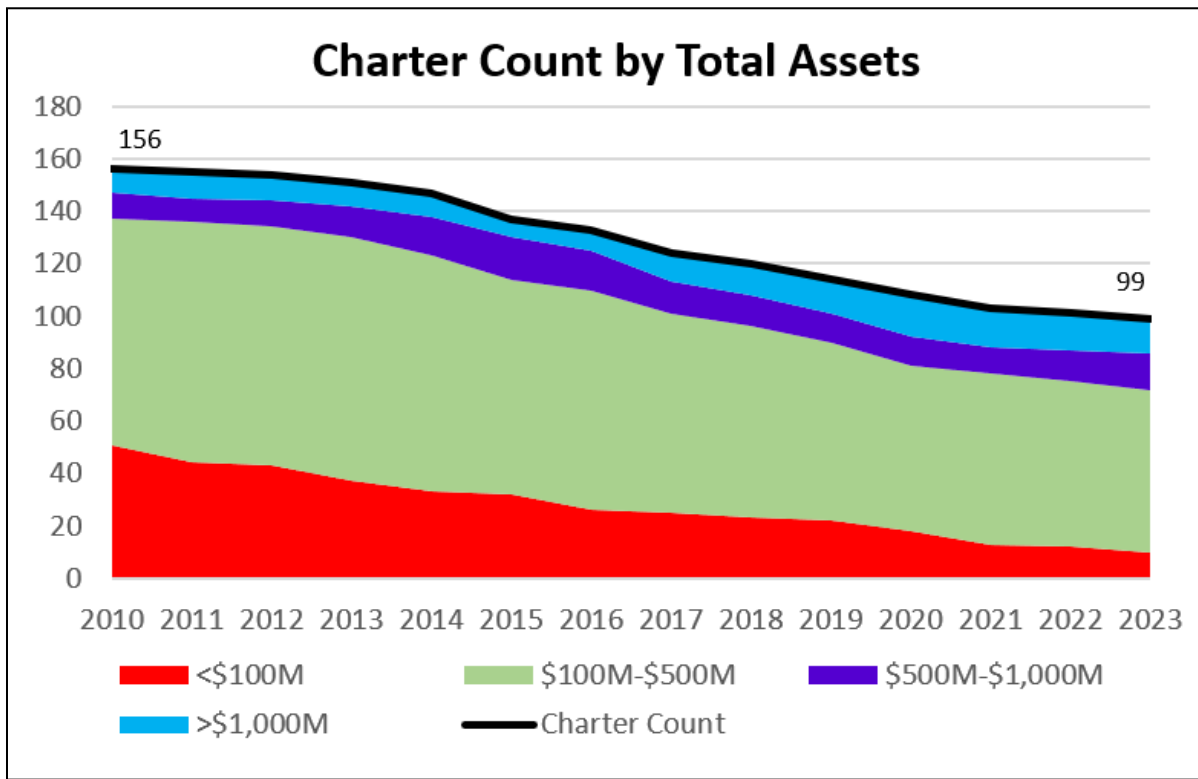
## CONSOLIDATED CONDITION & INCOME DATA

### KENTUCKY BANK RATIOS

	DEC. 31, 2023	DEC. 31, 2022
Number of Institutions Reporting	99	101
Total Employees (Full-Time Equivalent)	10,749	10,864
<b>AGGREGATE CONDITION AND INCOME DATA (IN MILLIONS)</b>		
Net Income (Year-to-Date)	\$717	\$800
Total Assets	\$67,657	\$65,275
Earning Assets	\$62,965	\$60,489
Total Loans and Leases	\$47,177	\$43,798
Other Real Estate Owned	\$15	\$21
Total Deposits	\$56,611	\$55,128
Equity Capital	\$6,532	\$6,124
<b>PERFORMANCE RATIOS (YTD, %)</b>		
Yield on Earning Assets	5.01%	3.88%
Cost of Funding Earning Assets	1.53%	0.41%
Net Interest Margin	3.49%	3.46%
Noninterest Income to Average Earning Assets	0.81%	0.89%
Noninterest Expense to Average Earning Assets	2.55%	2.53%
Net Charge-Offs to Loans and Leases	0.15%	0.06%
Credit-Loss Provision to Net Charge-Offs	164.40%	290.92%
Net Operating Income to Average Assets	1.10%	1.24%
Retained Earnings to Average Equity	5.96%	6.44%
Pre-Tax Return on Assets	1.32%	1.49%
Return on Assets	1.10%	1.24%
Return on Equity	11.64%	12.76%
Percent of Unprofitable Institutions	5.05%	1.98%
Percent of Institutions with Earning Gains	39.39%	61.39%
<b>CONDITION RATIOS (%)</b>		
Net Loans and Leases to Assets	68.85%	66.24%
<b>Loss Allowance to:</b>		
Loans and Leases	1.26%	1.28%
Noncurrent Loans and Leases	292.33%	370.63%
Noncurrent Loans and Leases to Total Loans & Leases	0.43%	0.34%
Nonperforming Assets to Assets	0.33%	0.27%
Core Deposits to Total Liabilities	83.38%	87.26%
Equity Capital to Total Assets	9.65%	9.38%
Core Capital (Leverage) Ratio	10.67%	10.73%
<b>Total Capital to Risk-Weighted Assets</b>		
Gross 1-4 Family Mortgages to Gross Assets	21.83%	20.30%
Gross Real Estate Assets to Gross Assets	62.27%	60.69%

# STATE-CHARTERED BANKS

## TOTAL ASSETS



# STATE-CHARTERED BANKS

## TOTAL ASSETS

### KENTUCKY BANK ASSETS

INSTITUTION NAME	CITY	TOTAL ASSETS (IN MILLIONS)
STOCK YARDS BANK & TRUST COMPANY	LOUISVILLE	\$8,165,735
CITIZENS BANK	MOUNT VERNON	\$209,817
KENTUCKY FARMERS BANK CORPORATION	CATLETTSBURG	\$275,822
MORGANTOWN BANK & TRUST COMPANY, INCORPORATED	MORGANTOWN	\$324,882
HYDEN CITIZENS BANK	HYDEN	\$144,962
AUBURN BANKING COMPANY	AUBURN	\$132,718
COMMUNITY FINANCIAL SERVICES BANK	BENTON	\$1,392,541
FARMERS & TRADERS BANK OF CAMPTON	CAMPTON	\$67,433
BANK OF HINDMAN	HINDMAN	\$261,500
JACKSON COUNTY BANK	MC KEE	\$164,161
THE MONTICELLO BANKING COMPANY	MONTICELLO	\$1,198,688
BANK OF EDMONSON COUNTY	BROWNSVILLE	\$271,220
LEWISBURG BANKING COMPANY	LEWISBURG	\$182,807
UNITED CUMBERLAND BANK	WHITLEY CITY	\$393,950
CLINTON BANK	CLINTON	\$75,595
PEOPLES BANK	LEBANON	\$160,702
THE PEOPLES BANK	TAYLORSVILLE	\$125,392
FIRST STATE BANK OF THE SOUTHEAST, INC	MIDDLESBORO	\$401,496
TRADITIONAL BANK, INC.	MOUNT STERLING	\$2,345,377
CITIZENS BANK OF KENTUCKY, INC.	PAINTSVILLE	\$659,813
COMMUNITY TRUST BANK, INC.	PIKEVILLE	\$5,733,770
BANK OF BUFFALO	BUFFALO	\$103,923
FNB BANK, INC.	MAYFIELD	\$674,770
FARMERS BANK AND TRUST COMPANY	PRINCETON	\$206,210
FARMERS STATE BANK	BOONEVILLE	\$62,011
THE PEOPLES BANK	MOUNT WASHINGTON	\$109,397
SOUTH CENTRAL BANK, INC.	GLASGOW	\$1,853,741
PEOPLES BANK & TRUST COMPANY OF HAZARD	HAZARD	\$325,993
BANK OF JAMESTOWN	JAMESTOWN	\$237,741
MAGNOLIA BANK, INCORPORATED	ELIZABETHTOWN	\$478,230
SECURITY BANK AND TRUST CO.	MAYSVILLE	\$71,125
FIRST & PEOPLES BANK AND TRUST COMPANY	RUSSELL	\$226,113
COMMONWEALTH COMMUNITY BANK, INC.	HARTFORD	\$155,896



# STATE-CHARTERED BANKS

## TOTAL ASSETS

### KENTUCKY BANK ASSETS (CONTINUED)

INSTITUTION NAME	CITY	TOTAL ASSETS (IN MILLIONS)
INDEPENDENCE BANK OF KENTUCKY	OWENSBORO	\$3,721,922
THE SACRAMENTO DEPOSIT BANK	SACRAMENTO	\$136,108
SPRINGFIELD STATE BANK	SPRINGFIELD	\$413,801
THE CECILIAN BANK	CECILIA	\$1,485,066
BANK OF COLUMBIA	COLUMBIA	\$196,960
PEOPLES EXCHANGE BANK	WINCHESTER	\$544,878
THE CITIZENS BANK	HICKMAN	\$189,409
UNITED SOUTHERN BANK	HOPKINSVILLE	\$321,644
COMMERCIAL BANK	WEST LIBERTY	\$205,931
PBK BANK, INC.	STANFORD	\$150,501
BANK OF MAYSVILLE	MAYSVILLE	\$158,594
FREDONIA VALLEY BANK	FREDONIA	\$99,699
OWINGSVILLE BANKING COMPANY	OWINGSVILLE	\$91,090
EDMONTON STATE BANK	GLASGOW	\$967,785
THE COMMERCIAL BANK OF GRAYSON	GRAYSON	\$214,959
HART COUNTY BANK AND TRUST COMPANY	MUNFORDVILLE	\$26,793
THE CITIZENS BANK	MOREHEAD	\$191,425
BEDFORD LOAN & DEPOSIT BANK	BEDFORD	\$113,425
CUMBERLAND SECURITY BANK, INC.	SOMERSET	\$330,716
FIRST STATE BANK	IRVINGTON	\$295,547
ELKTON BANK & TRUST COMPANY	ELKTON	\$187,981
THE FARMERS BANK OF MILTON	MILTON	\$304,504
WEST POINT BANK	RADCLIFF	\$473,127
FARMERS BANK AND TRUST COMPANY	MARION	\$691,109
BANK OF CLARKSON	CLARKSON	\$162,466
FIELD & MAIN BANK	HENDERSON	\$705,304
FIRST COMMUNITY BANK OF THE HEARTLAND, INC.	CLINTON	\$443,344
THE FARMERS BANK	NICHOLASVILLE	\$249,479
UNITED CITIZENS BANK & TRUST COMPANY	CAMPBELLSBURG	\$195,327
TAYLOR COUNTY BANK	CAMPBELLSVILLE	\$228,111
CITIZENS BANK & TRUST COMPANY	CAMPBELLSVILLE	\$333,281
TOWN & COUNTRY BANK AND TRUST COMPANY	BARDSTOWN	\$434,309
THE CASEY COUNTY BANK, INC.	LIBERTY	\$376,100

# STATE-CHARTERED BANKS

## TOTAL ASSETS

### KENTUCKY BANK ASSETS (CONTINUED)

INSTITUTION NAME	CITY	TOTAL ASSETS (IN MILLIONS)
CENTRAL BANK & TRUST COMPANY	LEXINGTON	\$3,441,698
THE PEOPLES BANK	MARION	\$130,498
THE PADUCAH BANK AND TRUST COMPANY	PADUCAH	\$962,464
CITIZENS DEPOSIT BANK OF ARLINGTON, INC.	ARLINGTON	\$299,934
PEOPLES BANK OF KENTUCKY, INC.	FLEMINGSBURG	\$484,302
WILSON & MUIR BANK & TRUST COMPANY	BARDSTOWN	\$739,520
FRANKLIN BANK & TRUST COMPANY	FRANKLIN	\$766,574
CITIZENS BANK & TRUST CO. OF JACKSON	JACKSON	\$202,707
BANK OF CADIZ AND TRUST COMPANY	CADIZ	\$135,377
CITIZENS GUARANTY BANK	RICHMOND	\$277,636
BANK OF THE BLUEGRASS AND TRUST COMPANY	LEXINGTON	\$351,625
BANK OF THE MOUNTAINS, INC.	WEST LIBERTY	\$ 86,029
FIRST KENTUCKY BANK, INC.	MAYFIELD	\$564,980
SONATA BANK	SEBREE	\$118,067
PINNACLE BANK, INC.	VANCEBURG	\$51,201
REPUBLIC BANK & TRUST COMPANY	LOUISVILLE	\$6,586,777
MEADE COUNTY BANK	BRANDENBURG	\$382,470
RIVER CITY BANK, INC.	LOUISVILLE	\$448,280
INDEPENDENT CORRESPONDENT BANKERS' BANK,	FRANKFORT	\$143,039
HEARTHSTONE BANK CORPORATION	MIDDLESBORO	\$513,330
WHITAKER BANK	LEXINGTON	\$1,906,901
HERITAGE BANK, INC.	ERLANGER	\$1,763,862
FIRST UNITED BANK AND TRUST COMPANY	MADISONVILLE	\$557,775
PLANTERS BANK, INC.	HOPKINSVILLE	\$1,774,550
CITIZENS BANK OF CUMBERLAND COUNTY, INC.	BURKESVILLE	\$92,838
CENTURY BANK OF KENTUCKY, INC.	LAWRENCEBURG	\$185,238
HOMETOWN BANK OF CORBIN, INC.	CORBIN	\$278,658
AMERICAN BANK & TRUST COMPANY, INC.	BOWLING GREEN	\$748,605
UNITED COMMUNITY BANK OF WEST KENTUCKY,	MORGANFIELD	\$451,651
UNITED CITIZENS BANK OF SOUTHERN KENTUCKY	COLUMBIA	\$231,294
1ST TRUST BANK, INC.	HAZARD	\$288,808
ECLIPSE BANK, INC.	LOUISVILLE	\$510,860
BANK OF LEXINGTON, INC.	LEXINGTON	\$345,335

# STATE-CHARTERED BANKS

## TRUST ASSETS

### TRUST ASSETS IN KENTUCKY BANKS

INSTITUTION NAME	CITY	TOTAL ASSETS (IN MILLIONS)
TOWN & COUNTRY BANK AND TRUST COMPANY	BARDSTOWN	\$302,966
WILSON & MUIR BANK & TRUST COMPANY	BARDSTOWN	\$265
BANK OF CADIZ AND TRUST COMPANY	CADIZ	\$7,901
KENTUCKY FARMERS BANK CORPORATION	CATLETTSBURG	\$198,226
CLINTON BANK	CLINTON	\$4,470
ELKTON BANK & TRUST COMPANY	ELKTON	\$4,126
PEOPLES BANK OF KENTUCKY, INC.	FLEMINGSBURG	\$4,560
FRANKLIN BANK & TRUST COMPANY	FRANKLIN	\$253,671
PEOPLES BANK & TRUST COMPANY OF HAZARD	HAZARD	\$14
FIELD & MAIN BANK	HENDERSON	\$594,133
THE CITIZENS BANK	HICKMAN	\$8,462
PLANTERS BANK, INC.	HOPKINSVILLE	\$215,009
CITIZENS BANK & TRUST CO. OF JACKSON	JACKSON	\$6,437
BANK OF THE BLUEGRASS AND TRUST COMPANY	LEXINGTON	\$365,423
CENTRAL BANK & TRUST COMPANY	LEXINGTON	\$2,082,470
WHITAKER BANK	LEXINGTON	\$567,703
STOCK YARDS BANK & TRUST COMPANY	LOUISVILLE	\$5,891,750
FIRST UNITED BANK AND TRUST COMPANY	MADISONVILLE	\$33,928
BANK OF MAYSVILLE	MAYSVILLE	\$29,768
UNITED COMMUNITY BANK OF WEST KENTUCKY, INC.	MORGANFIELD	\$621
MORGANTOWN BANK & TRUST COMPANY,	MORGANTOWN	\$4,170
HART COUNTY BANK AND TRUST COMPANY	MUNFORDVILLE	\$2,104
INDEPENDENCE BANK OF KENTUCKY	OWENSBORO	\$961,921
THE PADUCAH BANK AND TRUST COMPANY	PADUCAH	\$310,228
FARMERS BANK AND TRUST COMPANY	PRINCETON	\$11,371
FIRST & PEOPLES BANK AND TRUST COMPANY	RUSSELL	\$39,936
CUMBERLAND SECURITY BANK, INC.	SOMERSET	\$29,467
	<b>TOTAL</b>	<b>\$11,931,100</b>

## STATE-CHARTERED TRUSTS INDEPENDENT TRUST COMPANIES

INSTITUTION NAME	CITY	TRUST DISCRETIONARY ASSETS UNDER MANAGEMENT (000 OMITTED)
BAIRD TRUST COMPANY	LOUISVILLE	\$11,721,622
COMMUNITY TRUST & INVESTMENT COMPANY	LEXINGTON	\$3,434,333
FIRST KENTUCKY TRUST	LOUISVILLE	\$1,010,715
GLENVIEW TRUST COMPANY	LOUISVILLE	\$11,076,327
	<b>TOTAL</b>	<b>\$27,242,997</b>

# DIVISION OF DEPOSITORY INSTITUTIONS

## STATE-CHARTERED CREDIT UNIONS

### 88th Annual Credit Union Report

The Credit Union Branch supervised 18 credit unions with aggregate assets in excess of \$5 billion as of year-end 2023. Aggregate assets increased by nearly \$248 million from year-end 2022, as all loan categories increased. However, loans were primarily funded through increases in borrowings and share certificates, as these accounts increased by an average of 22.65 percent and 64.88 percent, respectively. While used vehicle loans experienced the largest dollar increase, commercial loans/lines of credit not secured by real estate increased by an average of 71.86 percent.

As of year-end 2023, the Return

on Average Assets demonstrated a one basis point improvement over year-end 2022 to an average 0.65 percent. The Net Interest Margin increased by 22 basis points to an average of 3.01 percent at year-end 2023, as the dollar increase in interest income outpaced increases in interest expense. Net worth remained strong and averaged 11.47 percent of total assets as of year-end 2023. Loan delinquency and charge-off levels increased by 31.70 percent and 72.24 percent, respectively, as members continue to experience the financial strains of inflation, increased interest rates, and the reinstatement of student loan payments.

### CREDIT UNION PERFORMANCE COMPARISON (AS OF 12/31/2023)

STATE	NUMBER OF STATE-CHARTERED CREDIT UNIONS	RETURN ON AVERAGE ASSETS	NET INTEREST MARGIN	NET WORTH TO TOTAL ASSETS
<b>Kentucky</b>	<b>18</b>	<b>0.65%</b>	<b>3.01%</b>	<b>11.47%</b>
Illinois	145	0.54%	2.74%	10.21%
Indiana	24	0.79%	2.96%	10.71%
Missouri	88	0.54%	2.98%	9.93%
Ohio	55	0.62%	2.81%	10.70%
Tennessee	74	1.44%	3.14%	12.88%
Virginia	21	0.68%	3.26%	10.86%
West Virginia	3	1.11%	3.23%	16.65%
<b>NATIONAL</b>	<b>1,724</b>	<b>0.68%</b>	<b>2.86%</b>	<b>10.80%</b>

Figures represent weighted averages.

# STATE-CHARTERED CREDIT UNIONS

## CONSOLIDATED CONDITION & INCOME DATA

### CONDITION, INCOME & PERFORMANCE DATA

	DEC. 31, 2023	DEC. 31, 2022
Number of Institutions Reporting	18	18
<b>AGGREGATE CONDITION AND INCOME DATA (IN THOUSANDS)</b>		
Loans	\$3,544,727	\$3,270,523
Assets	\$5,056,003	\$4,808,229
Liabilities	\$218,413	\$193,795
Shares and Deposits	\$4,316,206	\$4,135,950
Equity	\$521,385	\$478,484
Net Income	\$32,226	\$29,901
<b>PERFORMANCE RATIOS AND AVERAGES</b>		
<b>Capital Adequacy</b>		
Net Worth/Total Assets	11.47%	11.46%
Total Delinquent Loans/Net Worth	3.08%	2.45%
Solvency Evaluation (Estimated)	112.09%	111.57%
Classified Assets (Estimated)/Net Worth	5.48%	3.72%
<b>Asset Quality</b>		
Delinquent Loans/Total Loans	0.50%	0.41%
Net Charge-Offs/Average Loans	0.35%	0.23%
Held-to-Maturity Investment Fair Value/Book Value	95.77%	91.68%
Accumulated Unrealized Gain/Loss on Available-for-Sale Investments/Cost of Available-for-Sale Investments	-9.84%	-10.53%
Delinquent Loans/Assets	0.35%	0.28%
<b>Earnings</b>		
Return On Average Assets	0.65%	0.64%
Gross Income/Average Assets	5.65%	4.70%
Yield on Average Loans	5.21%	4.42%
Yield on Average Investments	3.00%	1.52%
Fee and Other Operating Income/Average Assets	1.31%	1.37%
Cost of Funds/Average Assets	1.34%	0.53%
Net Margin/Average Assets	4.32%	4.16%
Operating Expense/Average Assets	3.43%	3.25%
Provision For Loan and Lease Losses/Average Assets	0.31%	0.17%
Net Interest Margin/Average Assets	3.01%	2.79%
Operating Expense/Gross Income	60.64%	69.13%
Fixed Assets & Foreclosed & Repossessed Assets/Total Assets	2.75%	2.42%
Net Operating Expense/Average Assets	2.83%	2.61%



# STATE-CHARTERED CREDIT UNIONS

## CONSOLIDATED CONDITION & INCOME DATA

### CONDITION, INCOME & PERFORMANCE DATA (CONTINUED)

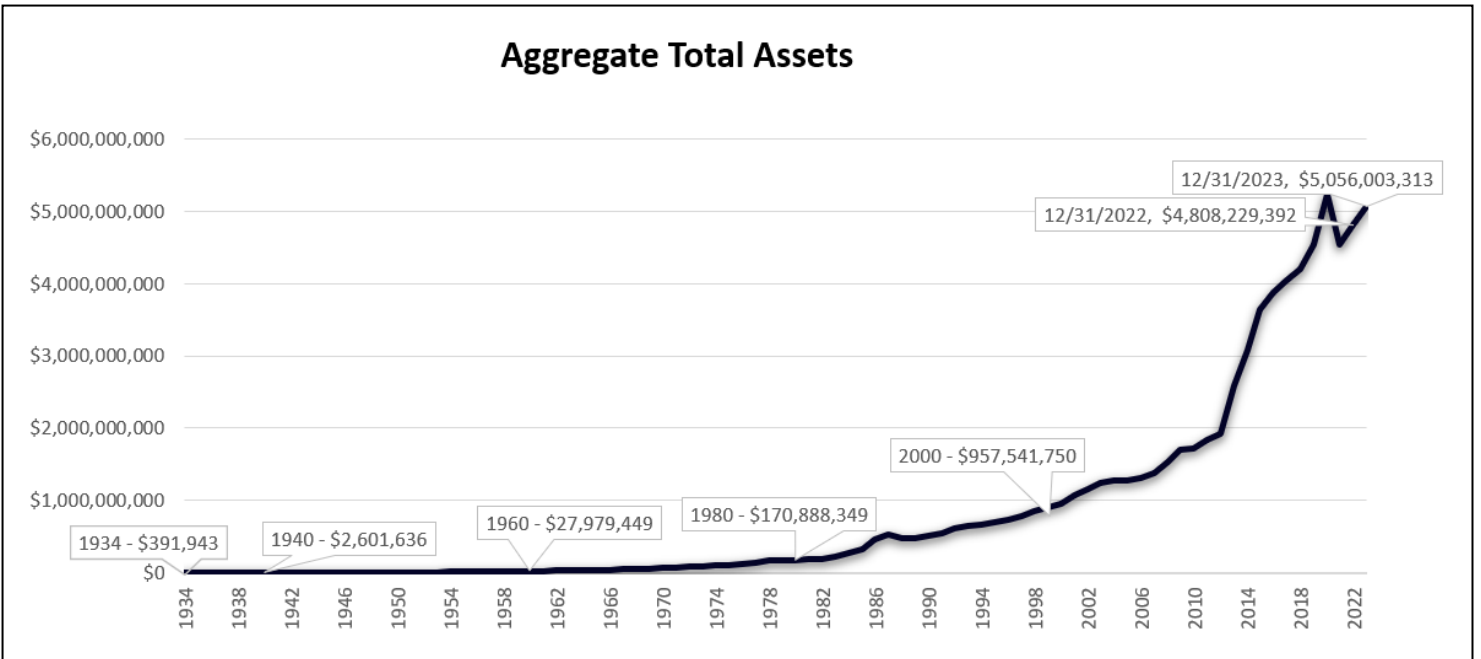
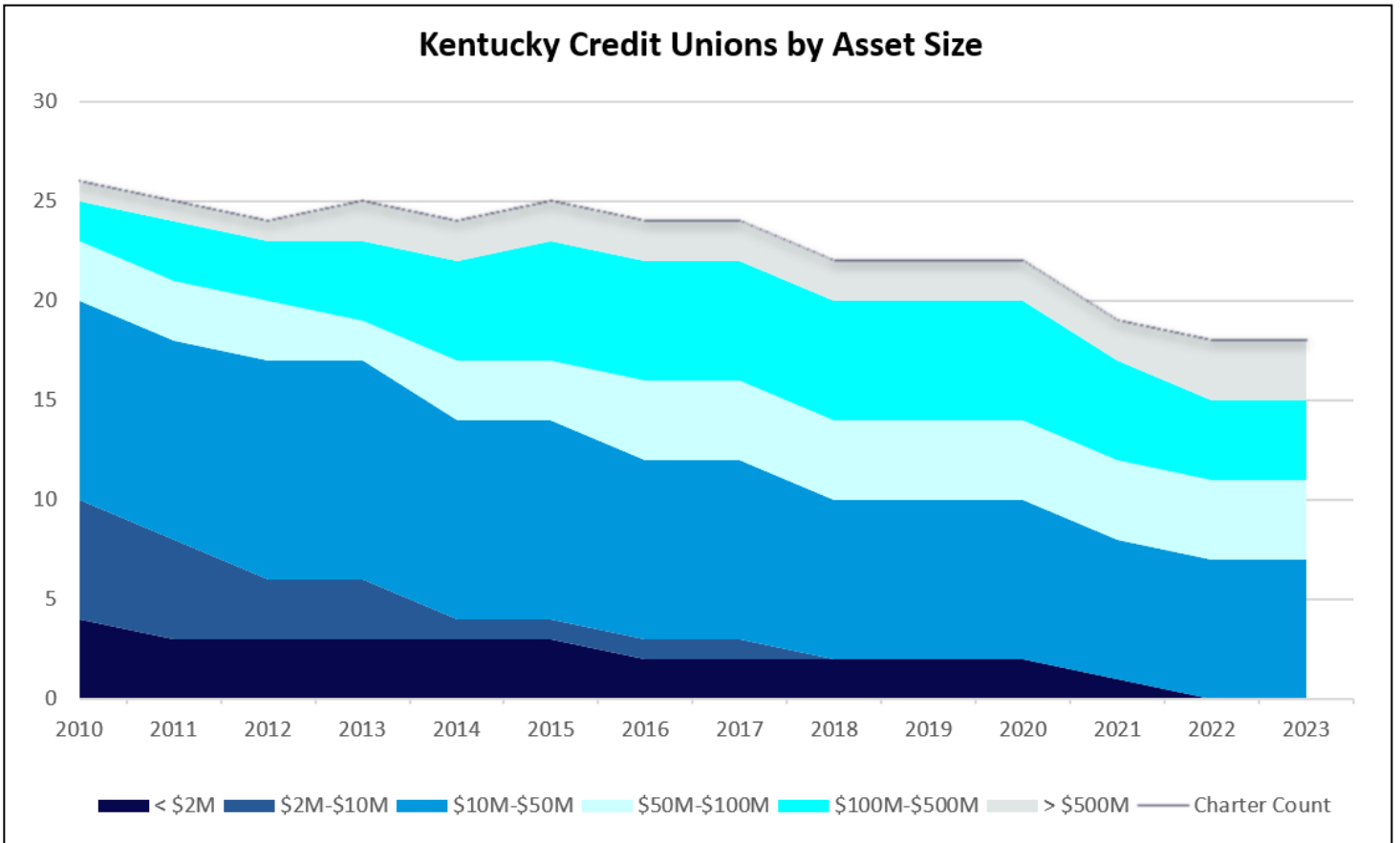
	DEC. 31, 2023	DEC. 31, 2022
<b>Liability Management</b>		
Net Long-Term Assets/Total Assets	30.51%	32.46%
Regular Shares/Total Shares and Borrowings	40.00%	47.95%
Total Loans/Total Shares	82.13%	79.08%
Total Loans/Total Assets	70.11%	68.02%
Cash + Short-Term Investments/Assets	12.89%	12.79%
Total Shares, Deposits and Borrowings/Earning Assets	93.95%	94.46%
Reg Shares + Share Drafts/Total Shares and Borrowings	50.76%	59.25%
Borrowings/Total Shares and Net Worth	3.10%	2.64%
<b>Productivity</b>		
Members/Potential Members	2.40%	2.39%
Borrowers/Members	57.88%	57.37%
Members/Full-Time Employees	412.85%	419%
Average Shares Per Member	\$11,388	\$11,179
Average Loan Balance	\$16,159	\$15,407
Salary and Benefits/Full-Time Employees	\$88,653	\$84,339
<b>Growth Ratios</b>		
Net Worth Growth	5.37%	5.78%
Market (Share) Growth	4.36%	4.33%
Loan Growth	8.38%	15.78%
Asset Growth	5.15%	5.91%
Investment Growth	-2.25%	-14.13%
Membership Growth	2.44%	3.05%

### CREDIT UNION CHANGES

No significant changes occurred in 2023.

# STATE-CHARTERED CREDIT UNIONS

## TOTAL ASSETS



# STATE-CHARTERED CREDIT UNIONS

## TOTAL ASSETS

### KENTUCKY CREDIT UNION ASSETS

CREDIT UNION NAME	YEAR ESTABLISHED	CITY	TOTAL ASSETS (IN THOUSANDS)
ASHLAND	1942	ASHLAND	\$376,390.27
AUTOTRUCK FINANCIAL	1965	LOUISVILLE	\$185,457.49
BEACON COMMUNITY	1947	LOUISVILLE	\$74,854.61
BROWN-FORMAN EMPLOYEES	1936	LOUISVILLE	\$14,438.86
COMMONWEALTH	1951	FRANKFORT	\$2,215,468.44
EXPREE	1938	FRANKFORT	\$98,510.92
GREATER KENTUCKY	1953	LEXINGTON	\$94,799.66
KEMBA LOUISVILLE	1934	LOUISVILLE	\$58,193.63
LEXINGTON POSTAL COMMUNITY	1928	LEXINGTON	\$27,688.27
LOUISVILLE FEDERAL	1924	LOUISVILLE	\$31,963.24
LOUISVILLE GAS AND ELECTRIC COMPANY	1934	LOUISVILLE	\$45,089.72
MEMBERS CHOICE	1932	ASHLAND	\$402,454.83
MEMBERS HERITAGE	1960	LEXINGTON	\$522,362.50
METRO EMPLOYEES	1940	LEXINGTON	\$45,048.85
RURAL COOPERATIVES	1964	LOUISVILLE	\$35,168.77
SERVICE ONE	1963	BOWLING	\$274,632.57
TRANSCEND	1960	LOUISVILLE	\$519,269.90
WHITESVILLE COMMUNITY	1962	WHITESVILLE	\$34,210.80
		<b>TOTAL</b>	<b>\$5,056,003.31</b>

# DIVISION OF

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# NON-DEPOSITORY INSTITUTIONS

## Supervised in 2023

- **8,093** Mortgage Loan Originators
- **2,035** Mortgage Companies/Mortgage Brokers\*  
*\*Includes companies and branches*
- **242** Check Cashers/Deferred Deposit Companies
- **4** Limited Check Cashers
- **363** Consumer Loan Companies
- **0** Industrial Loan Companies
- **161** Money Transmitters

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## DIVISION OF NON-DEPOSITORY INSTITUTIONS

DFI's Division of Non-Depository Institutions consists of four branches: Licensing, Consumer Protection, Mortgage Examination, and Non-Mortgage Examination. The division has four branch managers, who supervise examiners, investigators and licensing staff.

The Division of Non-Depository Institutions is committed to maintaining a well-trained staff. DFI monitors the continual evolution of products and services as well as changes in laws. The division also provides educational materials and outreach to protect consumers from financial fraud.

### 11th Annual Non-Depository Licensing Report

The Licensing Branch is responsible for licensing non-bank financial institutions, including mortgage loan companies, mortgage brokers, consumer loan companies, industrial loan companies, check cashers, deferred deposit companies, money transmitters, and student education loan servicers. The Licensing Branch also registers mortgage loan originators. In 2017, DFI licensed its first limited check casher pursuant to a new tier of license permitted by modifications to 808 KAR 9:050.

#### NUMBER OF LICENSES/REGISTRATIONS

	DEC. 31, 2023	DEC. 31, 2022
<b>License Type</b>		
Mortgage Companies*	1,798	1,927
Mortgage Brokers*	237	250
Check Cashiers/Deferred Deposit Companies	242	320
Limited Check Cashiers	4	4
Consumer Loan Companies	363	361
Industrial Loan Companies	0	0
Money Transmitters	161	149
<b>TOTAL</b>	<b>2,805</b>	<b>3,011</b>
<b>Registration Type</b>		
Mortgage Loan Originators	8,093	9,148
<b>GRAND TOTAL</b>	<b>10,898</b>	<b>12,159</b>

\* Includes companies and branches

# DIVISION OF NON-DEPOSITORY INSTITUTIONS

## EXAMINATION BRANCHES

### 11th Annual Mortgage Examination Report

The Mortgage Examination Branch is responsible for the examination and oversight of state-licensed mortgage loan companies, mortgage loan brokers, and mortgage loan originators. Preparations for examinations of student education loan servicing activity began in 2023 and training of examiners will continue in 2024 as they shadow other state regulatory agencies during their examinations. The Staff members conduct independent compliance examinations as well as multistate examinations of companies licensed in the Commonwealth to ensure they conduct business in accordance with applicable state and federal laws. While each branch is licensed individually, the examiners review the mortgage company or broker and all its branches at the same time for greater coverage with fewer examinations.

#### NUMBER OF EXAMS

EXAMINATION TYPE	DEC. 31, 2023	DEC. 31, 2022
Mortgage Companies	90	88
Mortgage Brokers	45	35
<b>TOTAL</b>	<b>135</b>	<b>123</b>

### 11th Annual Non-Mortgage Examination Report

DFI's Non-Mortgage Examination Branch examines consumer loan companies, industrial loan companies, check cashing/deferred deposit companies, and money transmitters. The branch examines licensees to ensure they are following the relevant state statutes. We currently do not have any Industrial loan companies licensed in Kentucky.

#### NUMBER OF EXAMS

EXAMINATION TYPE	DEC. 31, 2023	DEC. 31, 2022
Check Cashers/Deferred Deposit Cos.	258	264
Limited Check Cashers	4	4
Consumer Loan Companies	219	231
Industrial Loan Companies	0	0
Money Transmitters	16	17
Money Transmitters in lieu	23	7
<b>TOTAL</b>	<b>520</b>	<b>523</b>



# DIVISION OF NON-DEPOSITORY INSTITUTIONS

## CONSUMER LOAN COMPANIES

### CONSOLIDATED REPORT OF CONDITION

	DEC. 31, 2023	DEC. 31, 2022
Number of Licensed Consumer Loan	369	361
Kentucky Consumer Loans Secured by Residential Real Estate > \$15,000	\$59,885,782	\$1,742,627,307
<b>Assets</b>		
Cash and Due from Depositor Institutions	\$3,397,176,200	\$3,334,894,827
Total KY Loans Receivable, Net of Unearned Interest and Reserves	\$1,057,012,858	\$1,030,804,904
Premises and Fixed Assets (Net of Depreciation)	\$565,980,337	\$371,951,322
Deferred Charges and Prepaid Expenses	\$1,260,149,147	\$1,136,785,057
Other Assets Used in Consumer Loan Business	\$13,882,983,008	\$6,827,096,018
<b>Total Assets Used in Consumer Loan Business</b>	<b>\$20,163,301,550</b>	<b>\$12,701,532,128</b>
<b>Liabilities &amp; Capital</b>		
Total Liabilities (Total liabilities minus all other assets)	\$3,388,538,014	\$230,812,393
Total Capital	\$16,774,763,536	\$12,470,719,735
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$20,163,301,550</b>	<b>\$12,701,532,128</b>

# DIVISION OF NON-DEPOSITORY INSTITUTIONS

## CONSUMER PROTECTION BRANCH

### 15th Annual Consumer Protection Report

The Consumer Protection Branch investigates complaints and suspicious activity related to non-depository institutions. The investigators identify, examine, and recommend actions against those companies and individuals who exhibit unethical behavior, perpetrate financial crimes against Kentucky citizens, or otherwise violate state law. Complaints against unlicensed lenders and others not regulated by DFI are a large portion of the complaints received by the Consumer Protection Branch. In addition, the Consumer Protection Branch is responsible for enhancing public protection and consumer education through outreach programs.

#### NUMBER OF COMPLAINTS

	DEC. 31, 2023	DEC. 31, 2022
<b>Non-Depository License Type</b>		
Mortgage Companies/Brokers	49	35
Check Cashers/Deferred Deposit Companies (licensed)	20	9
Consumer Loan Companies	5	5
Industrial Loan Companies	0	0
Money Transmitters	15	10
Student Loan Servicers*	1	N/A
<b>TOTAL</b>	<b>90</b>	<b>59</b>
<b>Unlicensed Lenders/Other</b>		
Internet Payday/Installment	5	12
Other Complaints	35	7
<b>TOTAL</b>	<b>40</b>	<b>19</b>
<b>GRAND TOTAL</b>	<b>130</b>	<b>78</b>

*Note: Unlicensed internet and installment complaints were not tracked.*

*\*Added in 2023.*

# DIVISION OF SECURITIES

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## Registered at Year-End 2023:

- **1,416** broker-dealer firms
- **162** state-registered investment adviser firms
- **170,488** securities professionals

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## DIVISION OF SECURITIES

The Securities Division achieves balanced regulation through robust examination, enforcement, and registration programs. The Compliance Branch continued oversight into increasingly complex investment adviser and broker-dealer firms by conducting 45 examinations and one administrative order was entered based upon examination findings.

New broker-dealer registrations slightly decreased in 2023. The number of state-registered investment adviser firms also slightly decreased compared to the previous year; however, total firm registrations remained about the same. Individual registrations continued their growth trend.

Likewise, investment activity continued to flourish in Kentucky, with over 5,900 company filings, including initial, renewal, notice filings and claims of exemption. In 2023, the Registration

Branch again processed over 200,000 registrations, notice filings, renewals, and withdrawals of firms, financial professionals, and securities.

Throughout the year, administrative and settlement actions resulted in over one million dollars in fines and contributions. The Enforcement Branch assisted with numerous on-going criminal investigations. The branch continues to work jointly with other agencies and law enforcement authorities to ensure compliance with state and federal securities laws and regulations.

Securities Division staff is focused on investor education and protection. During 2023, employees from the division shared their expertise by participating as presenters in several virtual and in-person events to promote investor protection and education in securities.

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## DIVISION OF SECURITIES

### COMPLIANCE BRANCH REPORT

Examiners in the Compliance Branch perform examinations of broker - dealers and investment advisers, as well as their respective agents and representatives, to determine compliance with Kentucky securities laws. Examiners also assist DFI legal staff with administrative and civil actions the department may pursue against violators of the Securities Act.

### COMPLIANCE BRANCH EXAMINATIONS

	DEC. 31, 2023	DEC. 31, 2022
Broker-Dealer Examinations	0	2
Investment Advisory Examinations	45	50
<b>TOTAL EXAMINATIONS</b>	<b>45</b>	<b>52</b>
Orders/Agreements Entered as a Result of Examination	1	5

### Licensing & Registration Branch

Employees in the Licensing and Registration Branch process applications for the registration of broker -dealers, investment advisers (IAs), IA representatives, and agents. The registration staff ensures applications from firms and individuals meet Kentucky securities law requirements. Staff members also respond to inquiries from the public concerning investment adviser or broker registration status and disciplinary history.

### BROKER-DEALERS HEADQUARTERED IN KENTUCKY

NAME	CITY
ALEXANDER INVESTMENT SERVICES CO.	LOUISVILLE
CHURCHILL FINANCIAL LLC	LOUISVILLE
DUPREE & COMPANY INC.	LEXINGTON
EF LEGACY	LOUISVILLE
FIRST KENTUCKY SECURITIES CORP.	LOUISVILLE
NANCY BARRON AND ASSOCIATES INC.	LEXINGTON
PRIVATE CLIENT SERVICES LLC	LOUISVILLE

# DIVISION OF SECURITIES

## LICENSING & REGISTRATION BRANCH

### INVESTMENT ADVISERS HEADQUARTERED IN KENTUCKY

PRIMARY BUSINESS NAME	MAIN CITY
ABRI LLC	LEXINGTON
APPALACHES CAPITAL, LLC	MOUNT WASHINGTON
ARNETT FINANCIAL GROUP	MORGANFIELD
AVANT-GARDE WEALTH	BOWLING GREEN
BEACON ASSET MANAGEMENT	OWENSBORO
BEST INVESTMENT OPTIONS, LLC	LOUISVILLE
BIRDIE RETIREMENT PLANNING	BOWLING GREEN
BLACKSUMMIT FINANCIAL GROUP, INC.	NICHOLASVILLE
BLUE CASTLE WEALTH	LEXINGTON
BLUEGRASS FINANCIAL PLANNING, LLC	LOUISVILLE
BRK WEALTH MANAGEMENT LLC	LEXINGTON
BURL INVESTMENT MANAGEMENT, LLC	LEXINGTON
CANOPUS WEALTH MANAGEMENT	LOUISVILLE
CAPITAL INVESTMENT MANAGEMENT INC.	LEITCHFIELD
CHURCHILL FINANCIAL, LLC	LOUISVILLE
CLARK FINANCIAL PLANNING	LOUISVILLE
CLEAR TRACE, LLC	PEWEE VALLEY
CLEARLEAF	LOUISVILLE
COATS FINANCIAL PLANNING	LOUISVILLE
CONTEXT FINANCIAL LLC	LEXINGTON
CORLEY CAPITAL LLC	BRANDENBURG
CRANE INVESTMENT GROUP	LEXINGTON
CRIMSON OAK WEALTH MANAGEMENT, LLC	LEXINGTON
DEAN DORTON WEALTH MANAGEMENT, LLC	LEXINGTON
E2 FINANCIAL SERVICES, LLC	SOUTHGATE
FARNSLEY ADVISORS	LOUISVILLE
FEDERAL HILL CAPITAL MANAGEMENT	BARDSTOWN
FIRE WEALTH MANAGEMENT, LLC	MAYFIELD
FOCUS ON SUCCESS, LLC	FT. MITCHELL
FOSTER INVESTMENT SERVICES	LEXINGTON
G J KOHLER INVESTMENT ADVISORS, LLC	PROSPECT
GRAETER WEALTH ADVISORS, LLC	LOUISVILLE
GREENWELL CAPITAL MANAGEMENT, LLC	OWENSBORO
GRIGGS CAPITAL LLC	LEXINGTON
HANNEGAN WEALTH MANAGEMENT, LLC	EDGEWOOD
HIGH KNOLL WEALTH ADVISORS, LLC	LEXINGTON
HIGHLAND CAPITAL ADVISORS , LLC	LOUISVILLE



## DIVISION OF SECURITIES

### LICENSING & REGISTRATION BRANCH

#### INVESTMENT ADVISERS HEADQUARTERED IN KENTUCKY (CONT.)

PRIMARY BUSINESS NAME	MAIN CITY
HPC FINANCIAL SERVICES, LLC	LOUISVILLE
INSPIRE PRIVATE WEALTH MANAGEMENT	LOUISVILLE
INVESTMENT ANSWERS	LOUISVILLE
JOURNEY FINANCIAL MANAGEMENT, LLC	BOWLING GREEN
KEEPSAKE MANAGEMENT INC.	LEXINGTON
KEY FINANCIAL ADVISORS LLC	OWENSBORO
KWMA	FLORENCE
LACH FINANCIAL	LOUISVILLE
LEIF CLARKE WEALTH MANAGEMENT, INC.	ASHLAND
LEXINGTON WEALTH MANAGEMENT, INC.	LEXINGTON
LIFE ADVISORS FINANCIAL PLANNING AND WEALTH MANAGEMENT, LLC	MUNFORDVILLE
LIFETIME WEALTH DESIGN LLC	LOUISVILLE
LIGHTPATH WEALTH & TAX ADVISORS	PROSPECT
LINKER CAPITAL MANAGEMENT INC	PROSPECT
LIVELY FINANCIAL LLC	NEWPORT
MAGNOLIA WEALTH MANAGEMENT LLC	BOWLING GREEN
MANN CAPITAL MANAGEMENT LLC	FLORENCE
MC FINANCIAL SERVICES, INC.	LOUISVILLE
MONEY SCIENTIFIC LLC	HEBRON
MONEYLIFE PARTNERS, INC.	LOUISVILLE
MONEYWISE, INC.	LEXINGTON
MOON LASSO ASSET MANAGEMENT, LLC	NEWPORT
OAKDALE FINANCIAL SERVICES, LLC	CLEARFIELD
PAGE FINANCIAL SERVICES, LLC	LOUISVILLE
PIVOT POINT WEALTH PLANNING	BRANDENBURG
PLENTIFUL WEALTH, LLC	ASHLAND
POPLAR VENTURES, LLC	LOUISVILLE
PREVETT FINANCIAL	BEREA
PRINCIPLED WEALTH ADVISORS, LLC	COVINGTON
PROACTIVE ADVISORS, LLC	LEXINGTON
PROACTIVE WEALTH MANAGEMENT	LEXINGTON
PROFOLIO INVESTMENTS, INC.	UNION
PROSPERITY ASSET MANAGEMENT, LLC	LOUISVILLE
Q2 WEALTH MANAGEMENT	LEXINGTON
RELIABLE MUNICIPAL ADVISORS, LLC	BETSY LAYNE
REMINGTON WEALTH MANAGEMENT LLC	LOUISVILLE
REVOLUTIONARY WEALTH MANAGEMENT, CORP.	LOUISVILLE

## DIVISION OF SECURITIES

### LICENSING & REGISTRATION BRANCH

#### INVESTMENT ADVISERS HEADQUARTERED IN KENTUCKY (CONT.)

PRIMARY BUSINESS NAME	MAIN CITY
RIVERCITIES ASSET MANAGEMENT, LLC	OWENSBORO
RIVERSTONE ASSET MANAGEMENT, LLC	LOUISVILLE
ROBERT M WALKER & ASSOCIATES	TAYLORSVILLE
SAPPHIRE FIDUCIARY ADVISORS, LLC	LOUISVILLE
SCHOLAR FINANCIAL, LLC	BOWLING GREEN
SPRINGHOUSE FINANCIAL, LLC	LOUISVILLE
THE WRIGHT LEGACY GROUP, LLC	ELIZABETHTOWN
THOMPSON INVESTMENT ADVISORS	LOUISVILLE
TKM FINANCIAL SERVICES, LLC	LOUISVILLE
TOWNSEND FINANCIAL PLANNING	MT. STERLING
TRELLA WEALTH	BOWLING GREEN
TRIPLE CROWN WEALTH MANAGEMENT	LEXINGTON
TROPHY POINT FINANCIAL PLANNING LLC	GEORGETOWN
TRUST ALLIANCE WEALTH PARTNERS LLC	OWENSBORO
VERMILLION PRIVATE WEALTH	LEXINGTON
VISTA FRONT PARTNERS INC	FRANKFORT
WARREN WEALTH MANAGEMENT & TAX PLANNING INC.	LOUISVILLE
WEALTH MANAGEMENT OF KENTUCKY, INC.	LEXINGTON
WH WEALTH MANAGEMENT LLC	BEREA
YOUR BEST MOVE INC	BARDSTOWN

# DIVISION OF SECURITIES

## LICENSING & REGISTRATION BRANCH

### BROKER-DEALER REGISTRATIONS

	DEC. 31, 2023	DEC. 31, 2022
Renewed	1,425	1,402
Approved	72	85
Withdrawals (Form BDW)	81	62
<b>TOTAL REGISTERED (YEAR-END)</b>	<b>1,416</b>	<b>1,425</b>

### BROKER-DEALER AGENT REGISTRATIONS

	DEC. 31, 2023	DEC. 31, 2022
Renewed	160,005	144,074
Approved	40,043	45,331
Terminated	29,560	28,873
<b>TOTAL REGISTERED (YEAR-END)</b>	<b>170,488</b>	<b>160,532</b>

### ISSUER AGENT REGISTRATIONS

	DEC. 31, 2023	DEC. 31, 2022
Renewed	2	3
Approved	0	0
Terminated	0	1
<b>TOTAL REGISTERED (YEAR-END)</b>	<b>2</b>	<b>2</b>

# DIVISION OF SECURITIES

## LICENSING & REGISTRATION BRANCH

### STATE-REGISTERED INVESTMENT ADVISERS

	DEC. 31, 2023	DEC. 31, 2022
Renewed	161	167
Approved	14	17
Terminated	13	21
<b>TOTAL REGISTERED (YEAR-END)</b>	<b>162</b>	<b>163</b>

### FEDERAL COVERED INVESTMENT ADVISERS

	DEC. 31, 2023	DEC. 31, 2022
Renewed	1,335	1,255
<b>TOTAL EFFECTIVE NOTICE FILINGS (YEAR-END)*</b>	<b>1,366*</b>	<b>1,338*</b>

### INVESTMENT ADVISER REPRESENTATIVES

	DEC. 31, 2023	DEC. 31, 2022
Renewed	6,470	6,159
<b>TOTAL STATE AND FEDERAL IARS (YEAR-END)*</b>	<b>6,739*</b>	<b>6,465*</b>

*\*The difference between the number of renewals and end-of-year totals is due to new, withdrawn, failed-to-renew, and terminated individuals and entities during the calendar year.*

# DIVISION OF SECURITIES

## LICENSING & REGISTRATION BRANCH

### Corporation Finance

The Licensing and Registration Branch includes Corporation Finance staff who process applications for the registration or exemption from registration of securities to be offered and sold in Kentucky. The staff in this area also process notice filings by issuers of federally covered securities, such as mutual funds. In addition, the staff answers questions from the public about the requirements for selling securities in Kentucky.

	DEC. 31, 2023	DEC. 31, 2022
Private Placement Securities Offerings	43	47
<b>Notice Filings</b>		
Investment Companies—New	206	227
Investment Companies—Renewals	3,587	3,543
Unit Investment Trusts	925	935
Regulation D, Rule 506 Offerings	998	1,470
<b>Exemptions</b>		
Claims of Exemption Requested	61	54
Regulation A, Tier 2 Offerings	168	232
<b>TOTAL FILINGS</b>	<b>5,988</b>	<b>6,508</b>

# DIVISION OF SECURITIES

## ENFORCEMENT BRANCH

### Enforcement Branch Report

The Enforcement Branch investigates allegations of securities fraud and related illegal conduct. Division investigators work closely with DFI legal staff to pursue administrative and civil actions against alleged violators of the Securities Act. In addition, division investigators routinely assist outside law enforcement agencies and collaborate with securities investigators from other states. The division refers cases to state and federal authorities for criminal prosecution.

	DEC. 31, 2023	DEC. 31, 2022
<b>Investigations</b>		
Referrals/Assistance to Outside Agencies	4	4
Referrals from Outside Agencies	27	19
Investigations Opened	19	28
Investigations Closed	12	27
Investigations Pending	48	46
<b>Enforcement Actions</b>		
Administrative Orders	11	20
Civil Orders	0	0
Fines	\$1,194,898.98	\$1,005,896
Restitution to Clients/Investors Ordered	\$8,595,318.05	\$0
<b>Criminal Actions</b>		
Criminal Referrals	5	0
Criminal Indictments	0	0
Investigations with Federal/State Law	3	1

### CRIMINAL SENTENCINGS IN 2023

Doug Hawkins was sentenced to 120 months in federal prison.

# DEPARTMENT OF FINANCIAL INSTITUTIONS

## PUBLIC OUTREACH PROGRAMS

### Senior Citizen Outreach

**Seniors Got Talent** - DFI served as a vendor and talked to those in attendance about protecting themselves and their finances from scammers.

**Owensboro Senior Scam Jam** - DFI spoke to a group of senior citizens about investment fraud. This event resulted in a success story where an attendee was able to spot an account takeover scam attempt on her credit card account. The attendee credited this event for helping her recognize and stop the scam before her finances were compromised.



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### Student Outreach

**Fall Banking and Finance Fair** - DFI talked to EKU's undergraduate and graduate finance students about regulatory oversight in the finance industry and the important work that DFI does.

**Jump\$tart** - The Coalition works to improve Kentuckians' personal financial literacy, and partners annually on Kentucky Saves Week events and student contests. DFI's PIO serves as Secretary.





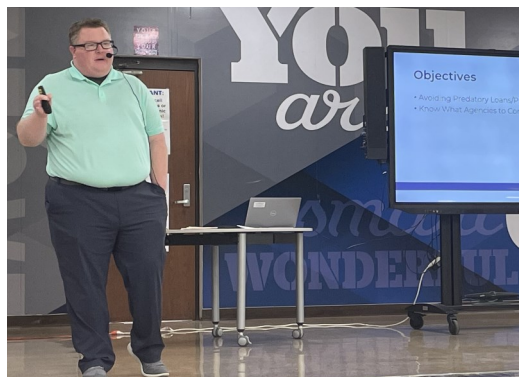
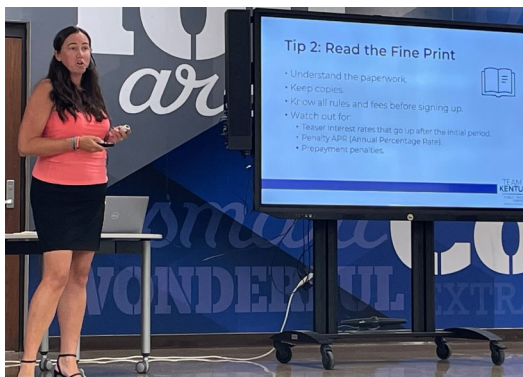
# DEPARTMENT OF FINANCIAL INSTITUTIONS

## PUBLIC OUTREACH PROGRAMS

### Community Outreach

**Secured \$280K grant for advertisement campaign** - To include radio, podcast, print, and social media advertisements featuring investment fraud awareness.

**Camp Graves** - DFI attended a community fair in Mayfield, an area impacted by devastating tornados, and presented on budgeting, tips for better credit, and how to avoid bad loans.



**Broadway Baptist Church** - DFI presented on investment fraud at a Lexington church.

More educational information and industry resources can be found at [KFI.ky.gov](http://KFI.ky.gov) by clicking on “Education & Media.”



# DEPARTMENT OF FINANCIAL INSTITUTIONS

## APPLICATION & ADMINISTRATIVE SUPPORT BRANCH

The Application and Administrative Support Branch provides the tools necessary for the department to meet its mission. This includes recruiting new staff and retaining qualified employees to provide appropriate supervision of the financial services industry and consumer protections.

Employees in the Application and Administrative Support Branch provide application development and administrative support to the department in the following areas:

- Personnel.
- Facilities management (Frankfort office and district offices).
- Fiscal management.
- Operations and quality control.
- Safety officer.
- Budgeting.
- Revenue and expenditure analysis.



**Consumers and industry representatives who want to speak with a member of the agency's staff may call or email with their questions and concerns.**

Business hours are 8 a.m. to 5 p.m. Eastern Standard Time. Information for consumers, regulated industries and the public is available online at **[KFI.ky.gov](https://kfi.ky.gov)**.



(800) 223-2579



[KFI@ky.gov](mailto:KFI@ky.gov)

# TEAM KENTUCKY®

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## PUBLIC PROTECTION CABINET

Department of Financial Institutions