ENTERED
OCT 28 2025
AEK 1:45PM
COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2025-AH-00154

DEPARTMENT OF FINANCIAL INSTITUTIONS COMPLAINANT

v.

DISCOUNT EQUITY SERVICES, INC. RESPONDENT

EMERGENCY ORDER OF SUSPENSION

* * * * * * * * *

Comes now the Commonwealth of Kentucky, by and through the Commissioner of the Department of Financial Institutions ("DFI"), and hereby enters this Emergency Order, pursuant to KRS Chapter 286.8, immediately suspending the mortgage broker license of the Respondent, Discount Equity Services, Inc. ("Respondent"):

PARTIES

1. DFI is responsible for regulating and licensing mortgage loan brokers in accordance with the provisions of KRS Chapter 286.8.

2. Respondent is licensed as a mortgage broker in the Commonwealth of Kentucky with an office and mailing address of 906 Franklin St., Louisville, KY 40206. Respondent's Kentucky license number is MB72877 and its NMLS number is 1657.

STATEMENT OF FACTS

3. Respondent's mortgage broker bond was cancelled with an effective date of cancellation of September 20, 2025.

4. DFI attempted contact with the Respondent's designated contact on or about September 12, 2025, via Respondent's listed email address.

5. As of the date of this action no response has been received from Respondent.

6. Prior to the date of this action the bond cancellation date has passed and the bond has lapsed.

COUNT ONE- SURETY BOND NOT IN EFFECT

7. Complainant hereby restates and incorporates paragraphs 1-6 as if restated here.

8. KRS 286.8-060(1) requires all mortgage brokers to be covered by a surety bond for the entire licensure or registration period.

9. The cancellation of the mortgage broker surety bond is a failure to maintain the bond for the entire licensure or registration period.

STATUTORY AUTHORITY FOR THIS ACTION

10. The commissioner may enter an emergency order suspending the license of any mortgage loan company or broker without notice or hearing if it appears on grounds satisfactory to the commissioner that the company or broker has engaged in or is engaging in unsafe, unsound, and illegal practices that pose an imminent threat to the public interest. KRS 286.8-048(1).

11. One or more of the following circumstances shall be considered sufficient grounds for an emergency order under KRS 286.8-048(2) if it appears on grounds satisfactory to the commissioner that:

> a. the mortgage loan broker or mortgage loan originator does not meet or has failed to comply with more than one (1) of the requirements of this subtitle and the violations appear to be willful;
>
> b. the mortgage loan broker is in such financial condition that it cannot continue in business with safety to its customers;
>
> c. the mortgage loan broker or mortgage loan originator has been indicted, charged with, or found guilty of any act involving fraud, deception, theft, or breach of trust, or is the subject of an administrative cease-and-desist order

or similar order, or of a permanent or temporary injunction currently in effect entered by any court or agency of competent jurisdiction;

d. The mortgage loan broker, mortgage loan company, or mortgage loan originator has made any misrepresentations or false statements to, or concealed any essential or material fact from, any person in the course of doing business in the mortgage lending process, or has engaged in any course of business that has worked or tended to work a fraud or deceit upon any person or would so operate;

e. The mortgage loan broker, mortgage loan company, or mortgage loan originator has made or caused to be made to the commissioner any false representation of material fact, has refused to permit an examination, or has refused or failed, within a reasonable time, to furnish any information or make any report that may have been requested or required by the commissioner;

f. The mortgage loan broker, mortgage loan company, or mortgage loan originator has had any license, registration, or claim of exemption related to the financial services industry denied, suspended, or revoked under the laws of this state or any other state of the United States, or has surrendered or terminated any license, registration, or claim of exemption issued by this state or any other jurisdiction under threat of administrative action; or

g. The surety bond required under KRS 286.8-060 has terminated, expired, or no longer remains in effect.

CONCLUSIONS OF LAW

12. Respondent has engaged in and is engaging in unsafe, unsound, and illegal practices that pose an imminent threat to the public interest, to wit:

a. Per KRS KRS 286.8-048(2)(g), the surety bond required under KRS 286.8-060 is no longer in effect.

ORDER

Based on the foregoing Findings of Fact, Statutory Authority, and Conclusions of Law, the Commissioner hereby **ORDERS** as follows:

1. The license of Respondent, Discount Equity Services, Inc. is **SUSPENDED** and shall remain suspended until this Order is rescinded by subsequent Order.

2. Respondent, Discount Equity Services, Inc. shall **CEASE AND DESIST** from engaging in the mortgage broker business in Kentucky and shall **CEASE AND DESIST** from acting as a mortgage broker in Kentucky.

HEARING RIGHTS

You are hereby notified that you have the right to request an emergency hearing on this matter, in writing, within twenty (20) days of the entry of this Order. If requested, an administrative hearing shall be held pursuant to the provisions of KRS 13B. Please submit any request for hearing to Gary A. Stephens, Assistant General Counsel, Kentucky Department of Financial Institutions, 500 Mero St. 2SW19, Frankfort, Kentucky 40601.

IT IS SO ORDERED on this the _28th_ day of _October_, 2025.

Marni Rock Gibson

Marni Rock Gibson
Commissioner
Department of Financial Institutions
500 Mero St. 2SW19
Frankfort, KY 40601

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Order of Emergency Suspension** was served by certified mail, return receipt requested, on this the 28 day of October, 2025 to:

Discount Equity Service, Inc.
Attn: Matthew Coleman
906 Franklin St.
Louisville, KY 40206
Hand delivered to:

Gary A. Stephens
Department of Financial Institutions
500 Mero St. 2SW19
Frankfort, KY 40601

/s/Eric Richardson
Eric Richardson
Staff Attorney
Department of Financial Institutions