



COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY CASE NO. 2016-AH-00077

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

EMBRACE HOME LOANS, INC.
(License #: MC17395)

RESPONDENT

* * * * *

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

2. Embrace Home Loans, Inc. ("Respondent") is authorized to do business in Kentucky as a mortgage loan company licensee, pursuant to KRS Chapter 286.8, with an office located at 25 Enterprise Center, Newport, Rhode Island 02842, with License #: MC17395 (NMLS #: 2184) (ICIE #: 368406).

3. DFI conducted a routine examination of Respondent on April 4, 2016. During the examination, DFI discovered:

- a. The Respondent employed one (1) unregistered loan processor, in violation of KRS 286.8-030(1)(c), KRS 286.8-030(1)(d) and KRS 286.8-255.

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

5. In this case, the DFI assessed a civil penalty against Respondent in the amount of **One Thousand Dollars and Zero Dollars (\$1,000.00)** for the above-described violations of KRS 286.8.

6. In the interest of economically and efficiently resolving the violations 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 **One Thousand Dollars and Zero Dollars (\$1,000.00)** for the violations described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of **One Thousand Dollars and Zero Dollars (\$1,000.00)**, which 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 and regulatory requirements set forth in KRS Chapter 286.8 and 808 KAR Chapter 12.

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. 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.

10. By signing below, Respondent acknowledges it has read the foregoing Agreed Order, knows and fully understands 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.

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

IT IS SO ORDERED on this the 2 day of September, 2016.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 1st day of September, 2016.

This 23rd day of August, 2016.

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

Peter Yuwales
Authorized Representative
Embrace Home Loans, Inc.
Mortgage Company License
#: MC17395 (NMLS #: 2184)

ACKNOWLEDGEMENT

STATE OF RHODE ISLAND)
)
COUNTY OF NEWPORT)

On this the 23rd day of AUGUST, 2016, before me Sidney N. Studley Jr., the undersigned, _____, did personally appear and acknowledge himself/herself to be the authorized representative of **Embrace Home Loans, Inc. (License #: MC17395)** and that he/she, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

SIDNEY N. STUDLEY JR
Notary Public, State of Rhode Island
My Commission Expires June 26, 2017

My Commission Expires: _____

Sidney N. Studley Jr.
Notary Public



CERTIFICATE OF SERVICE

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

**Peter Microulis
Chief Compliance Officer/VP
Embrace Home Loans, Inc.
25 Enterprise Center
Newport, Rhode Island 02842**

And by Hand-Delivery to:

Hon. Tiffany J. Bowman
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601
Attorney for the Kentucky Department of Financial Institutions

Kentucky Department of Financial Institutions

Name: August S. Hite

Title: Executive Staff Advisor