

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2013-AH-0202



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

EQUITY RESOURCES, INC.

RESPONDENT

AGREED ORDER

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 Loan Company and Mortgage Loan Broker Act.

2. Equity Resources, Inc. (“Equity”) is authorized to do business in Kentucky as a licensed mortgage loan company pursuant to Kentucky Revised Statutes Chapter 286.8, with its principal office located at 25 ½ S. Park Place, PO Box 5177. Newark, Ohio.

3. On June 10 & 11, 2013, DFI conducted a compliance exam at Equity. DFI discovered that Equity was operating under the name “1st Bancorp Mortgage.”

4. KRS 268.8-070(3) states that “A mortgage loan company or mortgage loan broker required to have a license under this subtitle shall not use the words “bank,” “trust,” “national,” or “federal,” or any form thereof separately or in combination thereof with other words or syllables as a part of its name or to otherwise identify itself.” Additionally, KRS 286.8-036(4) provides, “No licensee shall transact the business provided for by this subtitle under any other name or maintain an office at any location other than that designated in the license.”

4. The Department possesses a range of administrative authority in addressing violations of Chapter 286.6, including license revocation or denial, the imposition of fines in an amount up to \$25,000 per violation, and settlement. *See* KRS §286.8-046; §286.8-090.

5. In this case, the Department assessed a fine against Equity in the amount of two thousand five hundred dollars (\$2,500.00) for utilizing the name “1st Bancorp Mortgage” in contravention of KRS §286.8-070.

6. In the interest of economically and efficiently resolving the violation described herein, DFI and Equity agree as follows:

a. Equity agrees to a fine assessment in the amount of two thousand five hundred dollars (\$2,500.00) for the violations described herein;

b. Equity agrees to and shall pay two thousand five hundred dollars (\$2,500) of the total fine assessed herein prior to the entry of this Order, which 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: Katherine W. Ross, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601; and

c. Equity agrees to cease utilizing the name “1st Bancorp Mortgage” in Kentucky..

d. Equity shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in KRS Chapter 286.8 and the regulations set forth in 808 KAR Chapter 12.

7. Equity 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.

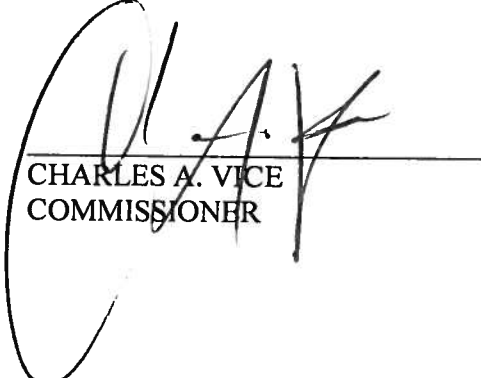
8. Equity consents to and acknowledges the jurisdiction of the Department of Financial Institutions over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

9. ~~In consideration of execution of this Agreed Order, Equity for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, Department of Financial Institutions, 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 Equity 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 that they are authorized to execute this 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 ^{30th} ~~10th~~ day of September, 2013.




CHARLES A. VICE
COMMISSIONER

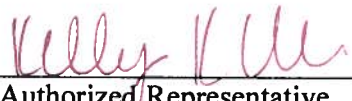
Consented to:

This 13 day of Sept, 2013.

This 13 day of Sept, 2013.



Sarah Butler, Director
Division of Non-Depository Institutions
Department of Financial Institutions



Authorized Representative
Equity Resources, Inc.
Kelly K. Welch


ACKNOWLEDGEMENT

STATE OF Ohio)
)
COUNTY OF Licking)

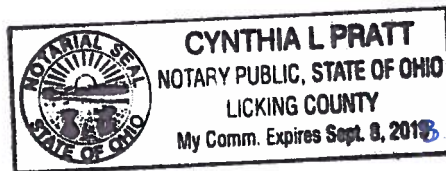
On this the 13th day of September, 2013, before me Cynthia L Pratt, the undersigned, Kelly K Welch, did personally appear and acknowledge himself/herself to be the authorized representative of Equity Resources, Inc. and that he/she, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/8/18



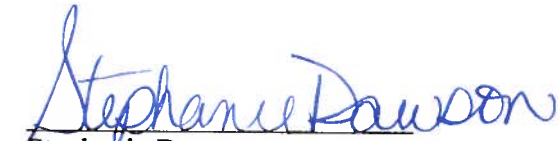
Notary Public



Certificate of Service

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 1st day of October, 2013, by certified mail, return receipt requested, to the following:

Kelly K. Welch
Vice President of Operations
Equity Resources, Inc.
25 ½ S Park Place
PO Box 5177
Newark, OH 43055


Stephanie Dawson
Department of Financial Institutions