

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2008-AH- 237**

IN THE MATTER OF:
FIRST CHOICE FUNDING DBA NORSTAR MORTGAGE GROUP

SETTLEMENT AGREEMENT

BACKGROUND AND FACTUAL FINDINGS

1. On June 4, 2007, First Choice Funding, Inc. ("First Choice") DBA Norstar Mortgage Group, with its main office in Birmingham Alabama, was licensed by the Department of Financial Institutions ("DFI") to conduct the business of a mortgage loan broker at its branch office located at 1725 McIntosh Street, Suite 200, Bowling Green, Kentucky 42104, under mortgage loan broker license number MC20401.
2. On March 6, 2008, an examination was conducted into the condition, workings and affairs of First Choice in order to determine whether there were any violations of law or any unauthorized unsafe practices or any failure to keep or have correct any required books and records.
3. In the course of the examination it was discovered that six loans had been originated in 2007 by two unregistered loan officers, Elizabeth Turner and Sherry Hand.
4. Pursuant to KRS 286.8-030(1)(c), it is unlawful for any loan officer, unless otherwise exempted, to originate mortgage loans in Kentucky if the loan officer is not registered in accordance with KRS 286.8-255.
5. Pursuant to KRS 286.8-990(5) the executive director [commissioner] may assess a fine of not less than one thousand dollars (\$1,000) nor more than five thousand dollars

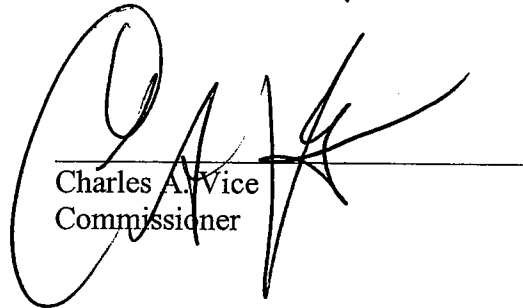
(\$5,000) against any mortgage loan company or mortgage loan broker that violates any provision of KRS Chapter 286.8.

6. On January 18, 2008, First Choice was cited and fined by this agency for a similar violation at its branch office located at 9612 Taylorsville Road, Suite 204, Louisville, Kentucky.

AGREEMENT AND ORDER

The Department of Financial Institutions and First Choice in the interest of economically and efficiently resolving the issues raised in the foregoing Background and Factual Findings agree that First Choice pay a fine in the amount of two thousand five hundred dollars (\$2,500).

IT IS SO ORDERED on this the 23 day of September, 2008.




Charles A. Vice
Commissioner

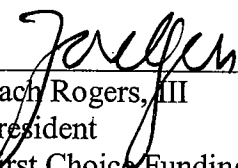
Consented to:

This 8th day of September, 2008

This 11th day of September, 2008



David Coyle,
Director, Division of Financial Institutions
Department of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601



Zach Rogers, III
President
First Choice Funding, Inc.
2100 Riverchase Center, Suite 100
Birmingham, AL 35244