

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2018-AH-00052

ENTERED  
MAR 11 2019  
APR 10 PM  
COMMISSIONERS OFFICE

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

**AGREED ORDER**

KAAG FINANCIAL, LLC (MB364177)

RESPONDENT

\* \* \* \* \*

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

2. Kaag Financial, LLC ("Respondent") is authorized to do business in Kentucky as a mortgage broker licensee pursuant to KRS Chapter 286.8, with an office located at 1421 West Third Avenue, Columbus, Ohio 43212. Respondent's license number is MB364177. (ICIE# 391343)

3. DFI conducted an examination of Respondent on November 20, 2017. The examination revealed that Respondent conducted activity in the mortgage lending process prior to becoming licensed as a mortgage loan broker, in violation of KRS 286.8-030(1)(a). The examination also revealed that Respondent used an unregistered mortgage loan originator, in violation of KRS 286.8-030(1)(d).

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

5. In this case, DFI assessed a civil penalty against Respondent in the amount of Five Thousand Dollars (\$5,000.00) for violating KRS 286.8.

6. In the interest of economically and efficiently resolving the violation(s) 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 Five Thousand Dollars (\$5,000.00) for the violation(s) described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of Five Thousand Dollars (\$5,000.00), which shall be in the form of certified checks or money orders 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. The five thousand dollars (\$5,000.00) shall be due as follows:

1. \$1,000 due upon entry of the Agreed Order,
2. \$1,000 due on or before February 1, 2019,
3. \$1,000 due on or before March 1, 2019,
4. \$1,000 due on or before April 1, 2019, and
5. \$1,000 due on or before May 1, 2019.

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

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 1<sup>st</sup> day of March, 2019.

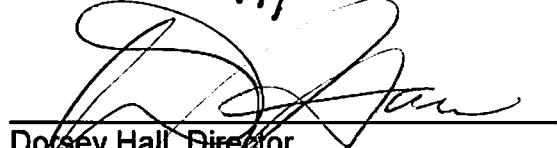


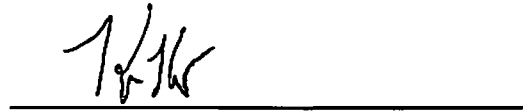
CHARLES A. VICE  
COMMISSIONER

**Consented to:**

This 1<sup>st</sup> day of March, 2019.

This 1<sup>st</sup> day of MARCH, 2019.

  
Dorsey Hall, Director  
Division of Non-Depository Institutions  
Department of Financial Institutions

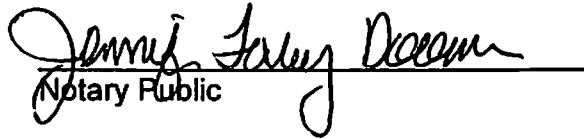
  
Authorized Representative  
Kaag Financial, LLC  
License # MB364177

**ACKNOWLEDGEMENT**

STATE OF KENTUCKY )  
COUNTY OF FRANKLIN )

On this the 1<sup>st</sup> day of March, 2019, before me Kyle A. Kegg, the undersigned, did personally appear and acknowledge himself/herself to be the authorized representative for Kaag Financial, LLC and that he/she, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 07-25-2020

  
Notary Public

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Agreed Order was sent on this the 1 day of March, 2017, by certified mail, return receipt requested, to:

Kyle Kegg  
Kaag Financial, LLC  
1421 West Third Avenue  
Columbus, Ohio 43212

Via hand-delivery to:

Gary A. Stephens  
Staff Attorney  
Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601

Kentucky Department of Financial Institutions

Name: Allison Held

Title: Executive Staff Advisor