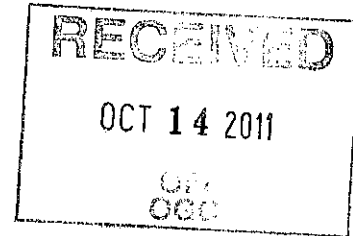


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0176



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

MIDWEST MORTGAGE SOURCE, INC.,
D/B/A ZIPFEL MORTGAGE GROUP

RESPONDENT

* * * * *

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 Licensing and Regulation Act (the “Act”).

2. Midwest Mortgage Source, Inc. d/b/a Zipfel Mortgage Group (“Respondent”) is licensed as a mortgage loan broker in Kentucky pursuant to the Act. Respondent’s initial license was effective on October 18, 2006 and in effect at all times relevant herein. Respondent’s Nationwide Mortgage Licensing System and Registry (“NMLS”) number is 60903.

3. During an examination on June 14, 2011, the DFI discovered that in August 2010, Respondent directly or indirectly employed or used the services of an unregistered mortgage loan originator in connection a loan against a Kentucky property, in violation of KRS 286.8-030(1)(d), which prohibits a mortgage loan company from employing or using a mortgage loan originator or a mortgage loan processor who is not registered in accordance with KRS 286.8-255.

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

5. In this case, the DFI has assessed a fine against Respondent in the amount of one thousand, five hundred dollars (\$1,500.00) for employing or using unregistered mortgage loan originators and unregistered mortgage loan processor in Kentucky in violation of KRS 286.8-030(1)(d).

6. In the interest of economically and efficiently resolving the violation(s) described herein, the DFI and Respondent agree as follows:

- a. Respondent agrees to a fine assessment in the amount of one thousand, five hundred dollars (\$1,500.00) for the violation(s) described herein;
- b. Respondent agrees to and shall pay the total fine assessed herein in a single installment payment of one thousand, five hundred dollars (\$1,500.00), which shall be due on the date Respondent signs the Agreed Order and returns it to the DFI, but in no event later than October 20, 2011. Said 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: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601; and
- c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set

forth in the Act and the regulations set forth in 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 the 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, the 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, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed 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 17th day of October, 2011.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 14th day of October, 2011.

Nicole Biddle
Nicole Biddle, Director
Division of Non-Depository Institutions
Department of Financial Institutions

This 11th day of October, 2011.

Michael E. Zipfel
Michael E. Zipfel, authorized representative of
Respondent Midwest Mortgage Source, Inc.,
d/b/a Zipfel Mortgage Group

ACKNOWLEDGEMENT

STATE OF OHIO)
)
COUNTY OF HAMILTON)

On this the 11th day of OCTOBER, 2011, before me Daniel J. Engen, the undersigned, **Michael E. Zipfel, as authorized representative of Midwest Mortgage Source, Inc. d/b/a Zipfel Mortgage Group**, did personally appear and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: _____



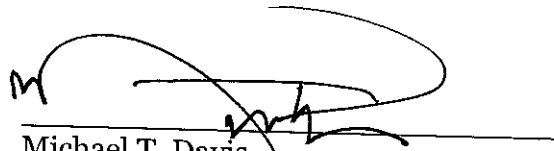
DANIEL J. ENGEN
Notary Public, State of Ohio
My Commission Expires
October 19, 2014

Daniel J. Engen
Notary Public

Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 18th day of October, 2011, by certified mail, to the following:

Michael E. Zipfel
Midwest Mortgage Source, Inc. d/b/a Zipfel Mortgage Group
3440 Edwards Road
Cincinnati, OH 45208



Michael T. Davis
Department of Financial Institutions
1025 Capital Center Drive
Suite 200
Frankfort, Kentucky 40601
502-573-3390 ext. 240 (phone)
502-573-2183 (facsimile)