

**COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2011-AH-0044**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

PROVIDENT FUNDING ASSOCIATES, LP

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 (the “Act”).

2. Provident Funding Associates, LP (“Respondent”) has a principle office authorized to do business in Kentucky as a mortgage company pursuant to the Act located at 1633 Bayshore Highway, Suite 155, Burlingame, California 94010. The license number is MC7842. Respondent also has several branch offices licensed to do business in Kentucky.

3. In 2009, DFI conducted a routine compliance exam of Respondent at the Burlingame, California location. In addition, DFI conducted exams at the following branch offices of the Respondent: 1) 500 Noblestown Road, Suite 101, Carnegie, Pennsylvania 15106, License No. MC20710; 2) 3755 East 82<sup>nd</sup> Street, Suite 100, Indianapolis, Indiana 46240, License No. MC21775; 3) 200 TechneCenter Drive, Suite 238, Milford, Ohio 45150, License No. MC20711; and 4) 3487 Center Road, Unit #5, Brunswick, Ohio 44212, License No. 23404.

4. During the course of the examinations, DFI discovered that Respondent had potentially utilized unregistered loan originators to originate mortgage loans in Kentucky in violation of KRS 286.8-030, which prohibits a mortgage loan company from employing or using a loan originator who is not registered in accordance with KRS 286.8-255.

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

6. In this case, DFI proposed a fine against Respondent in the amount of sixty-six thousand dollars (\$66,000.00) for utilizing unregistered loan originators to originate Kentucky loans, in violation of KRS 286.8-030.

7. Respondent does not admit to the violations of KRS 286.8-030, but is entering into this Agreed Order in lieu of proceeding with a formal hearing on the issues that comprise this matter.

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

a. Respondent agrees to make a payment to DFI in the amount of sixty-six thousand dollars (\$66,000.00) for the violation(s) described herein;

b. Respondent agrees to and shall pay the total amount assessed herein of sixty-six thousand dollars (\$66,000.00) 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: Shaun T. Orme, 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 requirements set forth in the Act and the regulations set forth in 808 KAR Chapter 12.

8. 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.

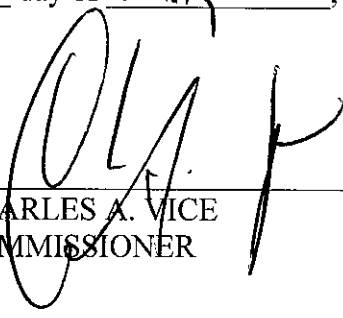
9. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

10. 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.

11. 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.

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

IT IS SO ORDERED on this the 23<sup>rd</sup> day of May, 2011.

  
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CHARLES A. VICE  
COMMISSIONER



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
 County of SAN MATEO }  
 On 5/10/2011 before me, M. FAJARDO, Notary Public  
Date Here Insert Name and Title of the Officer  
 personally appeared MICHELLE C. BLAKE  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hertheir authorized capacity(ies), and that by his/hertheir signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal:

Signature: M. Fajardo  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_

Individual  Partner —  Limited  General  Individual  Partner —  Limited  General

Attorney in Fact  Attorney in Fact

Trustee  Trustee

Guardian or Conservator  Guardian or Conservator

Other: \_\_\_\_\_  Other: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

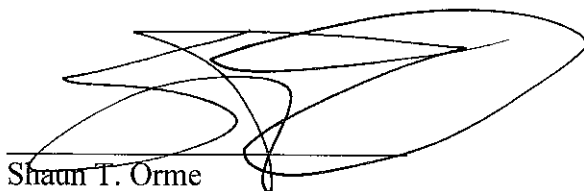
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**Certificate of Service**

I, Shaun T. Orme, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 24<sup>th</sup> day of May, 2011, by certified mail, return receipt requested, to the following:

Patrick Kuzmickas  
Vice President  
Provident Funding Associates, LP  
1633 Bayshore Highway, Suite 155  
Burlingame, CA 94010



Shaun T. Orme  
Department of Financial Institutions  
1025 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601  
502-573-3390 ext. 282 (phone)  
502-573-2183 (facsimile)

Counsel for Complainant