

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2013-AH-0215



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

SECURITYNATIONAL MORTGAGE COMPANY DBA  
SOUTHERN SECURITY MORTGAGE COMPANY  
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. SecurityNational Mortgage Company dba Southern Security Mortgage Company (“SecurityNational”) is authorized to do business in Kentucky as a licensed mortgage loan company pursuant to Kentucky Revised Statutes Chapter 286.8, with a branch office located at #21 & #22, 6900 Houston Road, Florence, Kentucky 41042.

3. On June 6, 7, & 21, 2013, DFI conducted a compliance exam at the Florence Branch of SecurityNational. DFI discovered that SecurityNational had utilized an unregistered loan processor to process mortgage loans in violation of KRS §286.8-030 which prohibits a mortgage loan company from employing or using a loan processor who is not registered in accordance with KRS §286.8-255.

4. DFI 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, DFI assessed a fine against SecurityNational in the amount of One Thousand Dollars (\$1,000.00) for utilizing an unregistered loan processor to process Kentucky loans in violation of KRS §286.8-030.

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

a. SecurityNational does not admit to any allegations or implications of fact or the existence of any violations alleged hereunder. However, solely for the purpose of settling this proceeding, SecurityNational agrees to a fine assessment in the amount of One Thousand Dollars (\$1,000.00) for the violations described herein;

b. SecurityNational agrees to and shall pay One Thousand Dollars (\$1,000) 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: Walker C. Cunningham, III, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601; and

c. SecurityNational agrees to register with DFI all individuals who process mortgage loans on Kentucky properties on its behalf.

d. SecurityNational 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. SecurityNational 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. SecurityNational 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, SecurityNational 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 SecurityNational 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 25<sup>th</sup> day of FEBRUARY, 2014.





CHARLES A. VICE  
COMMISSIONER

**Consented to:**

This 24<sup>th</sup> SCB day of February, 2014.

This 14<sup>th</sup> day of February, 2014.

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

  
\_\_\_\_\_  
Authorized Representative  
SecurityNational Mortgage Company dba  
Southern Security Mortgage Company

**ACKNOWLEDGEMENT**

STATE OF Utah )  
 )  
COUNTY OF Salt Lake )

On this the 14<sup>th</sup> day of February, 2014, before me Marilei Roueche, the undersigned, Steve Johnson, did personally appear and acknowledge himself/herself to be the authorized representative of SecurityNational Mortgage Company dba Southern Security Mortgage Company 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: 7-30-2017

  
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Notary Public



**Certificate of Service**

I, Christina Hayden, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 25 day of February, 2014, by certified mail, return receipt requested, to the following:

SecurityNational Mortgage Company  
DBA Southern Security Mortgage Company  
5300 South 360 West #150  
Murray, UT 84123  
Attn: John Douglas

Walker C. Cunningham  
1025 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601



Christina Hayden  
Department of Financial Institutions  
1025 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601  
502-573-3390