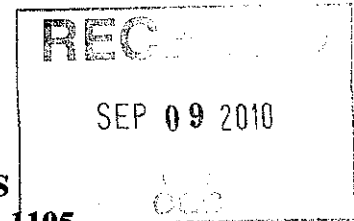


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2010-AH-1105



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

SIERRA HOME LOANS, LLC

RESPONDENT

STATEMENT OF FACTS

1. The Kentucky Department of Financial Institutions, ("DFI") is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers doing business in Kentucky in accordance with the provisions of KRS Chapter 286.8, the Mortgage Loan Company and Mortgage Loan Broker Act (the "Act").
2. Sierra Home Loans, LLC is a mortgage broker licensed in Kentucky (MB71284) whose principal office is located in Florence, KY.
3. Pursuant to the Act, the DFI conducted an examination of Sierra Home Loans on March 29, 2010 to determine whether its activities were in compliance with applicable laws and regulations; whether its practices and policies of had a potentially adverse impact on prospective borrowers; and whether its business was being operated efficiently, fairly, and in the public interest.
4. During the examination, the DFI discovered that Sierra Home Loans employed an unregistered loan originator and an unregistered loan processor in 2009.

LEGAL CONCLUSIONS

5. Pursuant to KRS 286.8-030(1)(d), "it is unlawful for any...mortgage loan broker to employ or use a mortgage loan originator or a mortgage loan processor if the mortgage loan originator or mortgage loan processor is not registered in accordance with KRS 286.8-255 or otherwise exempted."

6. Pursuant to KRS 286.8-255(1), "no natural person shall transact business in Kentucky, either directly or indirectly, as a mortgage loan originator or mortgage loan processor unless such mortgage loan originator or mortgage loan processor is registered with the office and has been issued a current certificate of registration by the office, complies with all applicable requirements of this subtitle, and maintains a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry."

7. Sierra Home Loans violated KRS 286.8-030(1)(d).

8. Pursuant to KRS 286.8-046(1), the Executive Director may assess a fine against any individual that violates any provision of the Act or accompanying regulations.

AGREEMENT

9. In the interest of economically and efficiently resolving the violation(s) described herein and avoid the expense, inconvenience, and uncertainty of further administrative proceedings, the DFI and Sierra Home Loans agree as follows:

a. Sierra Home Loans agrees to a fine assessment in the amount of three thousand five hundred dollars (\$3,500.00) for the violation(s) described herein;

b. Sierra Home Loans agrees to and shall pay the total fine assessed herein of three thousand five hundred dollars (\$3,500.00). The fine shall be paid as follows.

| | |
|--------------------|------------|
| September 15, 2010 | \$1,500.00 |
| October 15, 2010 | \$1,000.00 |
| November 15, 2010 | \$1,000.00 |

The payments 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: Simon Berry, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.

11. Sierra Home Loans 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.

12. Sierra Home Loans 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.

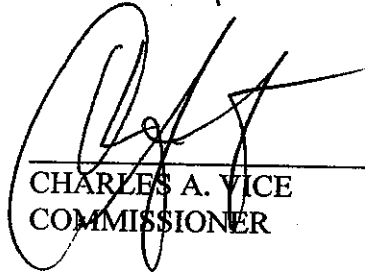
13. In consideration of execution of this Agreed Order, Sierra Home Loans for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, the DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, 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 Sierra Home Loans 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.

14. 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.

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

IT IS SO ORDERED on this the 9th day of September, 2010.



CHARLES A. VICE
COMMISSIONER

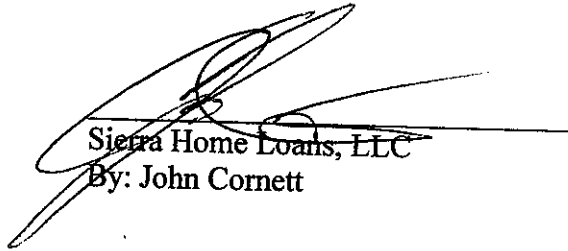
Consented to:

This 23rd day of August, 2010.

This 6th day of Sept. 2010



Nicole Biddle, Director
Division of Nondepository Institutions
Department of Financial Institutions

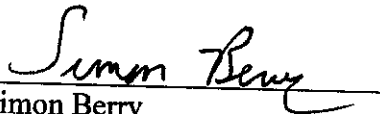


Sierra Home Loans, LLC
By: John Cornett

Certificate of Service

I hereby certify that a copy of the foregoing **Agreed Order** was sent by certified mail return receipt requested on this the 10th day of September, 2010, to the following:

Sierra Home Loans, LLC
c/o John Cornett
6900 Houston Road
Florence, KY 41042



Simon Berry
Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601
(502) 573-3390 Ext. 232
(502) 573-2183 (facsimile)