



COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2012-AH-0081

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

SMITH BROADY & ASSOCIATES, INC.

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. Smith Broady & Associates, Inc. (“Respondent”) is licensed as a mortgage loan broker in Kentucky pursuant to the Act. Respondent’s initial license was effective on September 3, 2009 and in effect at all times relevant herein. Respondent’s Nationwide Mortgage Licensing System and Registry (“NMLS”) number is 143637.

3. On November 15, 2011, the DFI began investigation into allegations that one of Respondent’s employees was engaging in activity as an unregistered mortgage loan originator. As a result of this investigation, the DFI confirmed that Respondent did in fact use or employ this individual as an unregistered mortgage loan originator during the period of July 2011 through at least November 14, 2011, 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 two thousand, five hundred dollars (\$2,500.00) for employing or using an unregistered mortgage loan originator 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 two thousand, five hundred dollars (\$2,500.00) for the violation(s) described herein;
- b. Respondent agrees to and shall pay the total fine assessed herein in a single installment payment of two thousand, five hundred dollars (\$2,500.00), which shall be due on the date Respondent signs the Agreed Order and returns it to the DFI, but in no event later than April 12, 2012. 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 5th day of April, 2012.

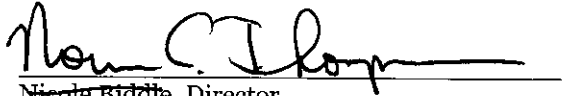


CHARLES A. VICE
COMMISSIONER

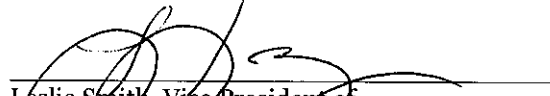
Consented to:

This 5 day of APRIL, 2012.

This 4th day of April, 2012.



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



Leslie Smith, Vice President of
Respondent Smith Broady & Associates, Inc.

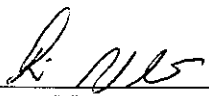
ACKNOWLEDGEMENT

STATE OF Indiana)
)
COUNTY OF Floyd)

On this the 4th day of April, 2012, before me Rick D. Newlin, the undersigned, Leslie Smith, as Vice President and authorized representative of Smith Broady & Associates, Inc., personally appeared and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 1/18/15



Notary Public Rick D. Newlin

Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 6th day of April, 2011, by certified mail, to the following:

Smith Broady & Associates, Inc.
Attn: Leslie Smith
3103 Blackiston Mill Road
New Albany, Indiana 47150



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)