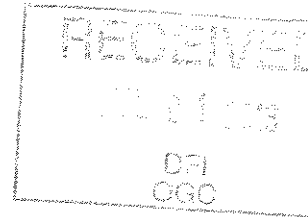


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2013-AH-0084



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v. **AMENDED FINAL ORDER SURRENDERING
MORTGAGE ORIGINATOR REGISTRATION**

TIMOTHY MARK VAUGHAN

RESPONDENT

* * * * *

This matter is before the Commissioner of the Department of Financial Institutions ("DFI"), pursuant to KRS 286.8-044. The Commissioner hereby enters this **Amended Final Order** amending the Final Order entered on June 11, 2013, revoking the suspension and allowing Timothy Mark Vaughan ("Respondent") to surrender his mortgage loan originator registration, pursuant to KRS Chapter 286.8.

1. DFI is responsible for regulating and licensing mortgage loan originators in accordance with the provisions of KRS Chapter 286.8. No person shall transact business in Kentucky as a mortgage loan originator, unless that person is registered with DFI and complies with all the applicable requirements of KRS Chapter 286.8. *See* KRS 286.8-255(1); *See Also* KRS 286.8-030(1)(c).

2. Respondent was registered as a loan originator in Kentucky, pursuant to KRS Chapter 286.8. His Nationwide Mortgage Licensing System number is 51204.

3. A mortgage loan originator cannot maintain a certificate of registration unless the loan originator demonstrates that he or she is covered by a surety bond that satisfies the requirements of KRS Chapter 286.8. *See* KRS 286.8-255(9).

4. DFI received notification from the Nationwide Mortgage Licensing System (“NMLS”) that the sponsorship is removed from Respondent’s mortgage loan officer registration. Without a sponsorship, Respondent is no longer covered under his employer’s surety bond.

5. On May 1, 2013 DFI, by counsel, filed an Administrative Complaint to suspend Respondent’s loan originator registration. The Administrative Complaint was sent via certified mail, return receipt requested to Respondent’s last known address, 202 Edgewood Drive, Nicholasville, KY 40356.

6. The Administrative Complaint explained that the Respondent must file an answer to the Complaint, including a request for hearing, within twenty (20) days of service. The Administrative Complaint also explained that if a request for hearing was not received within 20 days, DFI would seek a Final Order from the Commissioner granting the relief requested in the Complaint.

7. The Administrative Complaint was delivered on May 3, 2013.

8. More than twenty (20) days passed and the Respondent did not timely request an administrative hearing.

9. On June 11, 2013, DFI entered a Final Order Suspending Mortgage Originator Registration.

10. On June 20, 2013, after receiving the Final Order Suspending Mortgage Originator Registration, Respondent contacted DFI and requested that he be able to surrender his license, rather than face suspension.

11. After having considered all the relevant facts and circumstances and the available remedies, DFI determined that the Respondent’s registration could be surrendered and the Final

Order Suspending Mortgage Originator Registration amended to reflect the Respondent's desire to surrender his license.

12. To that end, DFI and Respondent agree as follows:

a. Respondent hereby surrenders his Kentucky Loan Originator license.

b. DFI hereby dismisses the Administrative Complaint filed against Respondent on May 1, 2013 without prejudice.

13. Respondent waives his right to demand a hearing at which he would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on his own behalf, or to otherwise appeal or set aside this Order.

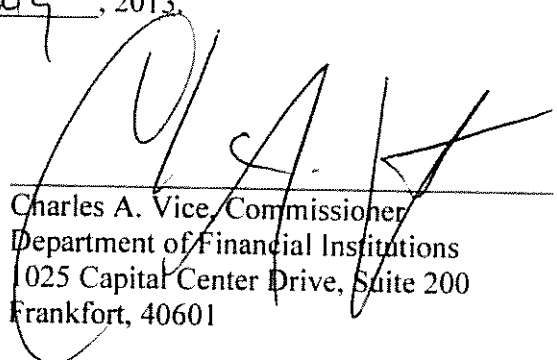
14. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

15. In consideration of execution of this Agreed Order, Respondent for himself, 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.

16. 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.

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


Executed on the 3rd day of July, 2013.

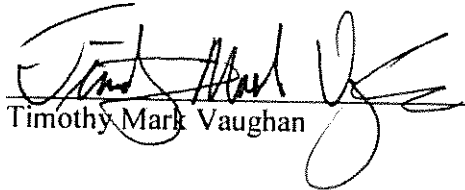

Charles A. Vice, Commissioner
Department of Financial Institutions
025 Capital Center Drive, Suite 200
Frankfort, 40601

Consented to:

This 2 day of July, 2013.

This 27 day of June, 2013.


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


Timothy Mark Vaughan

ACKNOWLEDGEMENT

STATE OF Kentucky)
)
COUNTY OF Fayette)

On this the 27 day of June, 2013, before me Wagner, the undersigned, Timothy Mark Vaughan, did personally appear and acknowledge himself to be Timothy Mark Vaughan and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

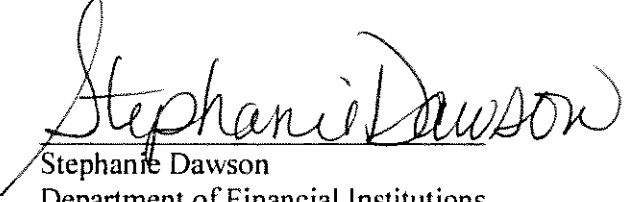
In witness whereof I hereunto set my hand.

My Commission Expires: 4/14/2015

Certificate of Service

I hereby certify that a copy of the foregoing **Amended Final Order** was sent by certified mail to, return receipt requested, on this the 8th day of July, 2013 to:

Timothy Mark Vaughan
605 Gwendolyn Court
Wilmore, KY 40390


Stephanie Dawson
Department of Financial Institutions