



COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2017-AH-00077

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

TRINITY FINANCIAL SERVICES, LLC
D/B/A T FINANCIAL SERVICES, LLC (MC326417)

RESPONDENT

* * * * *

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing entities engaged in mortgage brokering, origination, and processing in accordance with the provisions set forth in KRS Chapter 286.8.

2. Trinity Financial Services, LLC d/b/a T Financial Services, LLC (“Respondent”) is authorized to do business in Kentucky as a mortgage company licensee pursuant to KRS Chapter 286.8, with its office located at 610 Newport Center Drive, Suite 635, Newport Beach, CA 92660. Respondent’s license number is MC326417. (ICIE# 391158)

3. On July 11, 2017, DFI conducted an off-site examination of Respondent at DFI’s regional office. Examination efforts focused on a review of Respondent’s responses to the Mortgage Servicer Request List, foreclosed loans, and a sample of currently serviced loans to determine the level of compliance with applicable laws and regulations.

During this examination, DFI discovered Respondent had acquired several loans prior to obtaining a license.

4. KRS 286.8-010 (20) states:

“Mortgage loan company” means any person directly or indirectly:

- (a) Makes, purchases, or sells mortgage loans, or holds oneself out as being able to do so; or
- (b) Services mortgage loans, or holds oneself out as being able to do so.

5. Respondent acquired loans on the secondary market prior to obtaining a Kentucky license. When this was brought to Respondent's attention, it completed the licensing process. Respondent's license MC326417 was approved on June 12, 2015; however, several Kentucky loans were added to Respondent's servicing portfolio prior to this event.

6. KRS 286.8-030 states, in part:

(1)(a) It is unlawful for any person to transact business in Kentucky, either directly or indirectly, as a mortgage loan company or mortgage loan broker if the mortgage loan company or mortgage loan broker is not licensed in accordance with the requirements of this subtitle, unless that person is exempt under KRS 286.8-020 and, if required by KRS 286.8-020(3) has timely filed a completed application for a claim of exemption, and the filed application for a claim of exemption;” furthermore, . . .

(3) Any mortgage loan company or mortgage loan broker who willfully transacts business in Kentucky in violation of subsection (1) of this section shall have no right to collect, receive, or retain any interest or charges whatsoever on a loan contract, but the unpaid principal of the loan shall be paid in full.

7. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, suspension or the imposition of civil penalties. See KRS 286.8-046 and 286.8-090.

8. In this case, DFI assessed a civil penalty against Respondent in the amount of two thousand five hundred dollars (\$2,500.00) for violating KRS 286.8-030.

9. In the interest of economically and efficiently resolving the violation(s) described herein, and without Respondent admitting or denying the statements of fact and legal conclusions herein, DFI and Respondent agree as follows:

a. Respondent agrees to a civil penalty 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 civil penalty assessed herein of two thousand five hundred dollars (\$2,500.00). The payment shall be due when Respondent signs and returns the Agreed Order. The 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: Non-Depository Division – ORDER, 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 KRS Chapter 286.8.

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 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, 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 13th day of November, 2017.



CHARLES A. VICE
COMMISSIONER

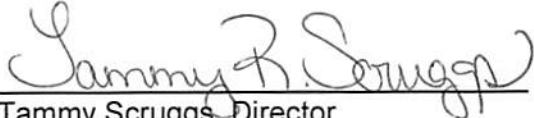


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Consented to:

This 9th day of November, 2017.

This 6th day of November, 2017.



Tammy Scruggs, Director
Division of Non-Depository Institutions
Department of Financial Institutions



Authorized Representative
Trinity Financial Services, LLC
d/b/a T Financial Services, LLC
License # MC326417

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____)

On this the _____ day of _____, 2017, before me
_____, the undersigned, _____,
did personally appear and acknowledge himself/herself to be the authorized
representative for Trinity Financial Services, LLC d/b/a T Financial Services, LLC and that
he/she, entered into and executed the foregoing instrument for the purposes therein
contained.

My Commission Expires: _____

mm please see attachment

Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

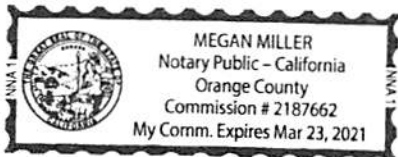
On 11-6-17 before me, Megan Miller, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Don A madden, III
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/her/their authorized capacity(ies), and that by his/her/their 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 [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended 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: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

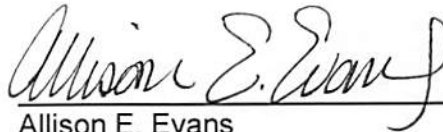
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 13th day of November, 2017, by certified mail, return receipt requested, to:

Mr. Don Madden III, President
Trinity Financial Services, LLC
d/b/a T Financial Services, LLC
2618 San Miguel Drive, Suite 303
Newport Beach, CA 92660

And by Hand-Delivery to:

Hon. Gary W. Adkins
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601
Counsel for Department of Financial Institutions



Allison E. Evans
Office of the Commissioner
Kentucky Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601