

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2013-AH-0077

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

VS.

AGREED ORDER

UNITED FIDELITY FUNDING CORP.

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 Loan Company and Mortgage Loan Broker Act (the “Act”).

2. United Fidelity Funding Corp. (“Respondent”) is a licensed Mortgage Loan Company with its principal office located at 1300 NW Briarcliff, Suite 275, Kansas City, Missouri 64150. Its Mortgage Loan Company license number is MC23287.

3. The DFI conducted a routine examination of Respondent on August 8, 2012. During the examination, the DFI discovered that Respondent improperly used an unlicensed mortgage broker, 1st Continental Mortgage, and two unregistered mortgage loan originators, Nicholas Stavropoulos and Kenneth Willingham, in connection with residential real estate mortgage loans in Kentucky, in violation of KRS 286.8-030(1)(d) and (e).

4. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation, suspension or denial, the imposition of fines in an amount up to \$25,000 per violation, and other affirmative action as the Commissioner deems necessary. *See* KRS 286.8-046; 286.8-090.

5. In this case, DFI assessed a fine against Respondent in the amount of six thousand dollars (\$6,000.00) for violating KRS 286.8-030(1)(d) and (e).

6 In the interest of economically and efficiently resolving the violations(s) described herein, the DFI and Respondent agree as follows:

- a. Respondent 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 matter, Respondent agrees to a fine assessment in the amount of \$6,000.00, for the violations described above;
- b. Respondent agrees to and shall pay the total fine assessed herein of six thousand dollars (\$6,000.00) which shall be due and payable upon entry of this Agreed Order. The payment shall be in the form of a certified check or money order made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Non-Depository Division – Order, 1025 Capital Center Drive Suite 200, Frankfort, KY 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. The Final Order previously entered in this matter on July 15, 2014 is hereby SET ASIDE.

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

IT IS SO ORDERED on this the 12 day of September, 2014.


CHARLES A. VICE
COMMISSIONER

Consented to:

This 12th day of September, 2014.

This 10th day of September, 2014.

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

Neal Alaiwan
Authorized Representative
United Fidelity Funding Corp.

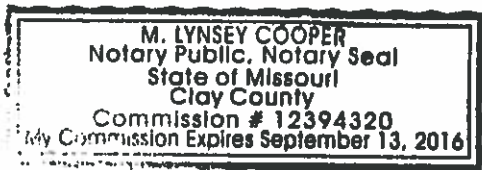
ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Clay)

On this the 10th day of September, 2014 before me M. Lynsey Cooper ^{Notary Public}, the undersigned, representative of United Fidelity Funding Corp. did personally appear and acknowledge herself to be the President/CEO of United Fidelity Funding Corp. 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: 9/13/16



M. Lynsey Cooper
Notary Public

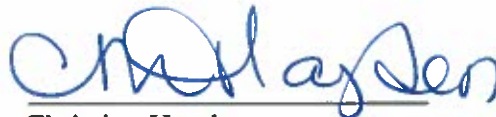
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Agreed Order was sent by certified mail, return receipt requested, on this the 12 day of September, to the following:

United Fidelity Funding Corp.
Attn: Neal Alaiwat
1300 NW Briarcliff, Suite 275
Kansas City, MO 64150

& BY HAND DELIVERY TO:

William Owsley
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601
Counsel for Complainant



Christina Hayden
Department of Financial Institutions