

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0033

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

AGREED ORDER

WCS LENDING, LLC

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. WCS Lending, LLC (“Respondent”) is licensed as a mortgage loan company in Kentucky pursuant to the Act. Respondent’s initial license was effective on July 21, 2009 and in effect at all times relevant herein. Respondent’s Nationwide Mortgage Licensing System and Registry (“NMLS”) number is 4260.

3. During an examination on October 6, 2010, DFI discovered that during the period of July 1, 2009 to June 3, 2010 Respondent directly or indirectly employed or used the services of unregistered mortgage loan originators and unregistered mortgage loan processors in connection with several loans that it funded, 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. 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, DFI has assessed a fine against Respondent in the amount of fifteen thousand dollars (\$15,000.00) for employing or using unregistered mortgage loan originators and unregistered mortgage loan processor 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, DFI and Respondent agree as follows:

- a. Respondent agrees to a fine assessment in the amount of fifteen thousand dollars (\$15,000.00) for the violation(s) described herein;
- b. Respondent agrees to and shall pay the total fine assessed herein in a single installment payment of fifteen thousand dollars (\$15,000.00), which shall be due on the date Respondent signs the Agreed Order and returns it to DFI. 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 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.

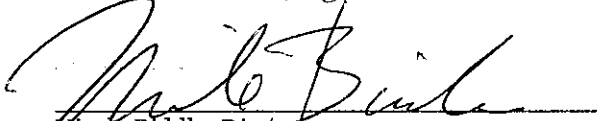
IT IS SO ORDERED on this the 25th day of March, 2011.



CHARLES A. VICE
COMMISSIONER

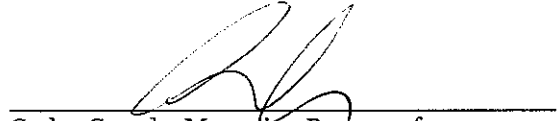
Consented to:

This 25th day of March, 2011.



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

This 22 day of March, 2011.



Carlos Cepeda, Managing Partner of
Respondent WCS Lending, LLC


ACKNOWLEDGEMENT

STATE OF Florida)
)
COUNTY OF Palm Beach)

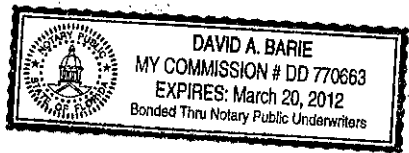
On this the 22 day of March, 2011, before me David A. Barie, the undersigned, Carlos Cepeda, as Managing Partner and authorized representative of WCS Lending, LLC, did personally appear and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 3/20/2012



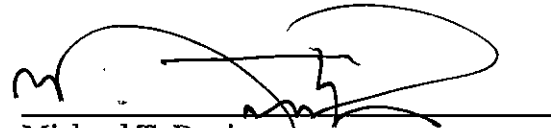
Notary Public



Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 28th day of March, 2011, by certified mail, to the following:

David A. Barie
Chief Compliance Officer
WCS Lending LLC
6501 Congress Avenue, 3rd Floor
Boca Raton, Florida 33487



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)