

COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2008-AH-277

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

**FINAL ORDER IMPOSING FINE**

TRIPLE CROWN, INC.  
D/B/A THE MORTGAGE CONNECTION

RESPONDENT

**Statement of Facts**

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers in accordance with the provisions of KRS Chapter 286.8, the Mortgage Loan Company and Mortgage Loan Broker Act.

2. Respondent was authorized to do business in Kentucky as a mortgage loan broker or mortgage loan company pursuant to a KRS 286.8-020(a) claim of exemption at 1431 South Main Street, Paris, Kentucky 40361. Said exemption expired on December 31, 2008.

3. Pursuant to an investigation initiated in 2008, DFI discovered that Respondent had employed or utilized two (2) unregistered loan officers to originate mortgage loans in violation of KRS 286.8-030 and KRS 286.8-090 for an extended period of time. One loan originator illegally originated mortgage loans in Kentucky on behalf of Respondent from January 2006 through July 2006. Another loan originator illegally originated

mortgage loans in Kentucky on behalf of Respondent from July 2006 through October 2008.

4. On January 21, 2009, DFI filed an Administrative Complaint against Respondent seeking imposition of \$10,000 in fines against Respondent for two separate violations of KRS 286.8-030 and KRS 286.8-090. Respondent failed to respond to the complaint, and therefore no hearing was requested in this matter.

#### **Statutory Authority**

5. Pursuant to KRS 286.8-020(2), all mortgage loan brokers or mortgage loan companies holding a KRS 286.8-020(2) claim of exemption shall be subject to all provisions of KRS Chapter 286.8 except for the licensing and examination provisions. Any mortgage loan originator or mortgage loan processor who is an employee of the above shall be subject to KRS 286.8-255.

6. Pursuant to KRS 286.8-030 and KRS 286.8-090, it is unlawful for any mortgage loan broker or mortgage loan company to employ or use, with or without compensation, a mortgage loan originator or a mortgage loan processor if the mortgage loan originator or mortgage loan processor is not registered and regulated in accordance with KRS 286.8-255.

7. Pursuant to KRS 286.8-046, effective April 24, 2008, the commissioner may levy a civil penalty against any person who violates any provision of KRS Chapter 286.8 in an amount not less than \$1,000 nor more than \$25,000 per violation. Prior to April 24, 2008 and pursuant to former KRS 286.8-990, the commissioner may levy a civil penalty against any person who violated any provision of KRS Chapter 286.8 in an amount not less than \$1,000 nor more than \$5,000 per violation.

## Conclusions

Based on the foregoing, the commissioner determines as follows:

1. Respondent applied for and was granted authority to do business in Kentucky as a mortgage loan broker or mortgage loan company pursuant to a KRS 286.8-020(a) claim of exemption at 1431 South Main Street, Paris, Kentucky 40361. Said exemption expired on December 31, 2008.

2. Respondent violated KRS 286.8-030 and KRS 286.8-090 on two separate occasions by employing or utilizing two (2) different unregistered loan originators to originate mortgage loans. The first violation occurred between January 2006 and July 2006 and thus, Respondent is subject to a fine up to \$5,000 for that violation. The second violation occurred between July 2006 and October 2008, and thus, Respondent is subject to a fine up to \$25,000 for that violation. Together, Respondent is subject to total fines not to exceed \$30,000.

3. Despite being properly served pursuant to KRS 13B-050(2) with an Administrative Complaint to the last known address of Respondent on February 3, 2009, Respondent failed to respond to the Complaint or request a hearing within twenty (20) days of service of the complaint as required by KRS 286.8-044. Thus, no hearing was held or deemed necessary in this matter.

## Order

**THEREFORE**, based upon the foregoing statement of facts, statutory authority, and conclusions, the commissioner **HEREBY ORDERS** as follows:

1. Respondent, **Triple Crown, Inc. d/b/a The Mortgage Connection**, shall pay a total fine for the violations detailed herein in the amount of **ten thousand**

**dollars (\$10,000)**, which shall be in the form of a certified check or money order made payable to “Kentucky State Treasurer” and delivered to the Department of Financial Institutions, Attn: Jessica Sharpe, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601, within ten (10) days of the effective date of this Order; and

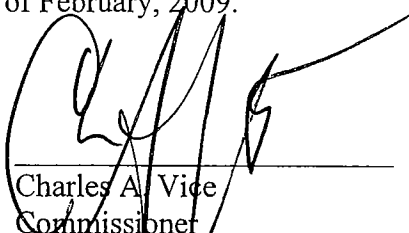
2. This is a **FINAL ORDER**.

This **ORDER** shall become effective upon completion of service as set forth in KRS 13B.050(2).

**Notice of Appeal Rights**

Pursuant to KRS 13B.140, you are hereby notified that you have the right to appeal this Final Order of the Commissioner. If you choose to appeal, you must file a written Notice of Appeal with the Franklin Circuit Court within thirty (30) days after entry of this Order.

**IT IS SO ORDERED** on this the 27<sup>th</sup> day of February, 2009.

  
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Charles A. Vice  
Commissioner  
Department of Financial Institutions  
1025 Capital Center Drive, Ste. 200  
Frankfort, Kentucky 40601

Certificate of Service

This is to certify that a copy of the foregoing **Final Order** was served by mailing a true and correct copy of same on this 17<sup>th</sup> day of February, 2009 to the following:

Triple Crown, Inc.  
d/b/a The Mortgage Connection  
ATTN: Julie Dungan  
1431 South Main Street  
Paris, Kentucky 40361  
VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

  
Jessica R. Sharpe  
Counsel for Complainant