COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2008-AH-204

OFFICE OF FINANCIAL INSTITUTIONS COMPLAINANT

vs.

FINAL ORDER
REVOKING LICENSE

FREEDOM MORTGAGE FUNDING, LLC RESPONDENT

Statement of Facts

1. The Office of Financial Institutions ("OFI") 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 applied for and was issued a mortgage loan broker license by OFI for the purpose of engaging in the mortgage loan broker business in the Commonwealth of Kentucky at an office located at 4602 Outer Loop, Louisville, Kentucky 40219.

3. OFI received a notice from Great American Insurance Company on March 7, 2008, indicating that the surety bond for Respondent had been cancelled. Since that time, OFI has not received proof of bond from Respondent.

4. On May 2, 2008, OFI filed an Administrative Complaint against Respondent seeking revocation of Respondent's license to do business as a mortgage loan broker in the Commonwealth of Kentucky for violation of Chapter 286.8-060 of the Kentucky Revised Statutes. Respondent failed to respond to the complaint, and therefore no hearing was requested in this matter.

Statutory Authority

1. Pursuant to KRS 286.8-060, a mortgage loan broker is required to post and maintain a surety bond in the amount of not less than fifty thousand dollars ($50,000).

2. Pursuant to KRS 286.8-090, the executive director may deny, suspend, or revoke any license when the applicant or licensee does not meet or has failed to comply with the requirements of KRS 286.8, does not conduct his business in accordance with law or the method of business includes or would include activities which are illegal where performed, or has willfully violated any provision of KRS 286.8 or any regulation thereunder, or has been guilty of fraud in connection with any transaction governed by KRS 286.8.

Conclusions

Based upon the foregoing, the executive director has determined as follows:

1. Respondent applied for and was issued a mortgage loan broker license by OFI for the purpose of engaging in the mortgage loan broker business in the Commonwealth of Kentucky at an office located at 4602 Outer Loop, Louisville, Kentucky 40219.

2. Respondent violated KRS 286.8-060 by failing to maintain a surety bond in the amount of not less than fifty thousand dollars ($50,000), and thus, Respondent's license as a mortgage loan broker is subject to being revoked pursuant to KRS 286.8-090(1)(a).

3. Despite being properly served pursuant to KRS 13B-050(2) with an Administrative Complaint to the last known address of Respondent on May 5, 2008, Respondent failed to respond to the Complaint or request a hearing within twenty (20) days of service of the complaint as required by 808 KAR 12:030.

Order

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

1. That the mortgage loan broker license held by **Freedom Mortgage Funding, LLC** is **REVOKED**;

2. That Respondent is prohibited from conducting business in Kentucky as a mortgage loan company or mortgage loan broker without being properly licensed or otherwise entitled to an exemption;

3. That Respondent is prohibited from participating in any business activity of a registrant or licensee and from engaging in any business activity on the premises where a licensee or registrant is conducting its business; and

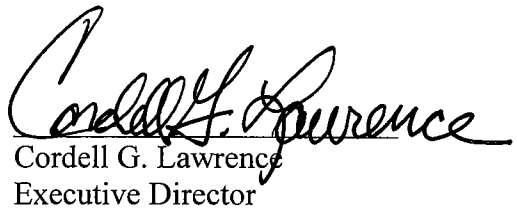
4. This is a **FINAL ORDER**.

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

Notice of Appeal Rights

Pursuant to KRS 286.8-210, you are hereby notified that you have the right to appeal this Final Order of the Executive Director. If you choose to appeal, you must file a written Notice of Appeal with the Franklin Circuit Court within sixty (60) days after entry of this Order.

IT IS SO ORDERED on this the 28 day of May, 2008.

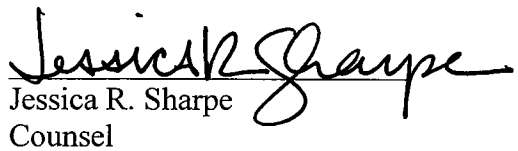


Cordell G. Lawrence
Executive Director
Office of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601

Certificate of Service

I, Jessica R. Sharpe, hereby certify that a copy of the foregoing **Final Order Revoking License** was sent on this the 28th day of May, 2008, by certified mail, return receipt requested, to the following:

Freedom Mortgage Funding, LLC
ATTN: Tara Schott
4602 Outer Loop
Louisville, KY 40219



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