COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION AND REGULATION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2009-AH-027

DEPARTMENT OF FINANCIAL INSTITUTIONS — COMPLAINANT

VS.

AGREED ORDER

DEVOR MORTGAGE INVESTMENT CORPORATION
D/B/A QUALITY HOME MORTGAGE — RESPONDENT

BACKGROUND AND FACTUAL FINDINGS

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

2. Devor Mortgage Investment Corporation d/b/a Quality Home Mortgage ("Quality") is licensed by the Department of Financial Institutions ("DFI") as a mortgage loan broker authorized to conduct business in Kentucky at its principal office located at 209 Terrace Drive, Mayfield, Kentucky 42066.

3. Pursuant to an investigation, DFI learned that Quality was conducting the business of a mortgage loan broker at two unlicensed locations. One unlicensed office is located at 1863 Main Street, Cadiz, Kentucky, and the other at 115 S. 17th Street, Paducah, Kentucky.

4. On May 4, 2009, the Commissioner of DFI issued an Order to Quality to cease and desist from originating mortgage loans on Kentucky properties at locations

other than that designated on its license and notified Quality of DFI's intent to impose a fine for violation of the Act.

STATUTORY AUTHORITY

5. Pursuant to KRS 286.8-036(1) a license shall state the address or addresses at which business is to be conducted.

6. Pursuant to KRS 286.8-036(4) no licensee shall transact the business provided for by this subtitle under any other name or maintain an office at any location other than that designated in the license.

7. Pursuant to KRS 286.8-100(1) no licensee shall establish or maintain a branch in Kentucky without filing the application as described in KRS 286.8-032(5) and receiving prior written approval.

8. Pursuant to KRS 286.8-046 the executive director [now commissioner] may assess a civil penalty of not less than one thousand dollars ($1,000) nor more than twenty five thousand dollars ($25,000) per violation, against any person who violates any provision of KRS Chapter 286.8.

9. Pursuant to KRS 286.8-190(2)(a), if it appears to the commissioner upon sufficient grounds or evidence that any mortgage loan company or mortgage loan broker has engaged in or is about to engage in any practice in violation of KRS 286.8, the commissioner may order a mortgage loan company or mortgage loan broker to cease and desist from the acts or practices by a formal written order.

AGREEMENT AND ORDER

The Department of Financial Institutions and Quality, in the interest of economically and efficiently resolving the violations described in the foregoing Background and Factual Findings, agree as follows:

1. For the violation on the Cadiz location, Quality agrees to pay a fine in the amount of two thousand five hundred dollars ($2,500), which shall be made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn.: Sally Mooney, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601, by July 31, 2009.

2. Quality agrees to close the Paducah office and not to conduct any further mortgage business from that location.

3. Quality agrees to obtain approval for a branch license for the Cadiz office from DFI, and to operate it as a branch office of Quality.

4. Quality agrees that by entering into this Agreement it waives its right to a hearing at which Quality would be entitled to be represented by counsel, to confront and cross-examine witnesses for DFI, and to present evidence on its own behalf. Quality further agrees and acknowledges the jurisdiction of DFI over this matter and that this Agreement is a matter of public record and may be disseminated as such.

5. DFI agrees to withdraw its Order to Cease and Desist.

IT IS SO ORDERED on this the 8th day of ~~July~~ Sep., 2009.

Charles A. Vice
Commissioner

Consented to:

This 17 day of July, 2009

Norman C. Thompson

Department of Financial Institutions

Consented to:

This 14 day of ~~July~~ August, 2009

Voris Buck

Voris Buck
President
Devor Mortgage Investment Corp.
d/b/a Quality Home Mortgage

Consented to:

This 14th day of ~~July~~ Aug., 2009

Royce W. Buck

Royce Buck
Attorney for Devor Mortgage Investment Corp.