

Texas Department of Banking Press Release

Department of Banking Obtains Permanent Injunction against Destiny Capital Mortgage Bank, Irving, Texas and Terminates Cease and Desist Order

Date: December 29, 2005

Texas Banking Commissioner, Randall S. James, announced that the Department of Banking, with the assistance of the Texas Attorney General's Office, obtained an agreed permanent injunction against Destiny Capital Mortgage, Inc. d/b/a Destiny Capital Mortgage Bank and Destiny Capital Commercial Mortgage Bank, Baron Hopgood, as Officer and Director of Destiny Capital Mortgage, Inc., Clint Junell, as Officer and Director of Destiny Capital Mortgage, Inc., Misty A. Scott, as former Officer and Director of Destiny Capital Mortgage, Inc., and Jeff Jenkins, as former Officer of Destiny Capital Mortgage, Inc. (Destiny).

The agreed permanent injunction, signed on November 28, 2005 by the Honorable Merrill Hartman, Presiding Judge, 192nd District Court, Dallas County, Texas, prohibits Destiny from engaging in the business of banking or representing to the public that it is conducting the business of banking, including the use of the word "bank" in its name, stationery, website address, or advertising in a manner that would imply to the public that Destiny is engaged in the business of banking in Texas, or soliciting or receiving deposits from the public.

The Texas Department of Banking became aware of Destiny's activities through a consumer call seeking to verify Destiny as an authorized entity or chartered bank. The Department had not issued a charter, license, permit, registration, or any authority to Destiny to solicit deposits or conduct any other activities of a state-chartered bank. The Cease and Desist Order issued by the Banking Commissioner on August 4, 2005, which sought to stop Destiny from soliciting deposits and representing to the public it was a bank in violation of Texas Finance Code, Sections 31.004 and 31.005 has been terminated.