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COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2012-AH-0276

IN THE MATTER OF:
FIRST GUARANTY MORTGAGE CORPORATATION
8180 GREENSBORO DRIVE, SUITE 500
MC LEAN, VA 22102

AGREED ORDER

BACKGROUND AND FACTUAL FINDINGS

1. First Guaranty Mortgage Corporation ("First Guaranty") is licensed with the Department of Financial Institutions ("DFI") as a mortgage loan company (License #MC16957 and MC21170) whose principal office is located at 8180 Greensboro Drive, suite 500, McLean, Virginia 22102.

2. On September 18, 2012, an off-site examination was conducted into the condition, workings and affairs of First Guaranty office to determine whether: (1) it was in compliance with applicable laws and regulation; (2) its practices and policies had an adverse impact on prospective borrowers; and (3) it was being operated efficiently, fairly, and in the public interest.

3. In the course of that examination it was discovered that First Guaranty violated Chapter 286.8 of the Kentucky Revised Statutes by employing or using three unregistered individuals to process residential real estate mortgage loans involving Kentucky borrowers.

AGREEMENT AND ORDER

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

1. First Guaranty agrees to pay a fine in the amount of Three Thousand Dollars ($3,000) for the violations set forth above, which shall be made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: William Owsley, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.

2. In regard to this matter, First Guaranty waives its right to demand a hearing, at which First Guaranty would be entitled to legal representation, to confront and cross examine witnesses for the Department of Financial Institutions, and to present evidence on its own behalf. Further, First Guaranty consents to and acknowledges the jurisdiction of the Department of Financial Institutions over this matter and that this Agreement is a matter of public record and may be disseminated as such.

3. In consideration of the execution of this Agreed Order First Guaranty, for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth, the DFI, Office of Legal Services, and each of their members, agents and employees in their individual capacities, form any and all manner of actions, causes of actions, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that First Guaranty ever had, now has, may have or claim to have against any and all of the persons or entities named inn this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

4. By signing below, the parties acknowledge that they have read the foregoing Agreed Order, know and understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

5. This Settlement Agreement shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 10th day of December, 2012.

CHARLES A. VICE, COMMISSIONER

Consented to:

This 20 day of November 2012

Lisa Tiemeyer, Director
Division of Nondepository Financial Institutions
Department of Financial Institutions

Consented to:

This 15 day of Nov, 2012

First Guaranty Mortgage Corporation
BY:
ITS: CEO Andrew Peters