COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2010-AH-1099

NOV 29 2010

DEPARTMENT OF FINANCIAL INSTITUTIONS — COMPLAINANT

vs.

PHH MORTGAGE CORPORATION
d/b/a COLDWELL BANKER MORTGAGE — RESPONDENTS

and

LAURA GRAY

AGREED ORDER

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

2. PHH Mortgage Corporation d/b/a Coldwell Banker Mortgage ("PHH") is authorized to do business in Kentucky as a licensed mortgage loan company (MC 23525) pursuant to the act.

3. During an examination, DFI alleges that it discovered PHH had utilized an unregistered loan officer to originate mortgage loans, in violation of KRS 286.8-030, which prohibits a mortgage loan company from employing or using a loan officer who is not registered in accordance with KRS 286.8-255.

4. An unregistered loan originator utilized by PHH was Laura Gray ("Ms. Gray").

5. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, the imposition of fines in an amount up to $25,000 per violation. *See* KRS 286.8-046; 286.8-090.

6. In the interest of economically and efficiently resolving the violation(s) described herein, DFI and PHH and Ms Gray agree as follows:

a. PHH and Ms. Gray neither admit nor deny the allegations of DFI;

b. PHH agrees to a fine assessment in the amount of eight thousand dollars ($8,000.00) for the violation(s) described herein;

c. Ms Gray agrees to a fine assessment in the amount of six thousand dollars ($6,000.00);

d. PHH agrees to and shall pay the total fine assessed herein of fourteen thousand dollars ($14,000) prior to the entry of this Order, which shall be in the form of a certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Shaun T. Orme, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

e. PHH shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in the Act and the regulations set forth in 808 KAR Chapter 12.

7. PHH and Ms. Gray (collectively "Respondents") waive their right to demand a hearing at which they would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on their own behalf, or to otherwise appeal or set aside this Order.

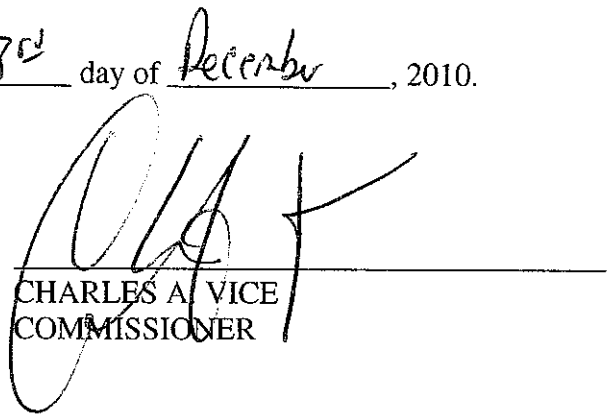
8. Respondents consent to and acknowledge the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

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

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

11. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 3rd day of December, 2010.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 28th day of November, 2010.

Nicole S. Biddle, Director
Division of Non-Depository Institutions
Department of Financial Institutions

This 23rd day of November, 2010.

William Brown
Senior Vice President
PHH Mortgage Corporation
d/b/a Coldwell Banker Mortgage

ACKNOWLEDGEMENT

STATE OF New Jersey)
COUNTY OF Burlington)

On this the 23rd day of November, 2010, before me Geraldine A Gager, the undersigned, **William Brown**, did personally appear and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: GERALDINE A. GAGER Notary Public of New Jersey My Commission Expires Sept. 23, 2012

Notary Public

This _____ day of _____, 2010.

Laura Gray

ACKNOWLEDGEMENT

STATE OF _____)

COUNTY OF _____)
)

On this the ____ day of _____, 20__, before me _____, the undersigned, **Laura Gray**, did personally appear and entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: _____

_____

Certificate of Service

I, Shaun T. Orme, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 1st day of August, 2011, by certified mail, return receipt requested, to the following:

Fran Ferrera
Associate General Counsel
PHH Mortgage Corporation
d/b/a Coldwell Banker Mortgage
1010 Brandy Lane, Ste., E
Richmond, KY 40475

Laura Gray
1226 Van Meter Road
Winchester, KY 40391

Stephanie Dawson
Stephanie Dawson
Department of Financial Institutions