ENTERED
MAR 09 2016
10:45 a.m.
COMMISSIONERS OFFICE

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2015-AH-00164

DEPARTMENT OF FINANCIAL INSTITUTIONS — COMPLAINANT

vs.

AGREED ORDER

PARAMOUNT RESIDENTIAL
MORTGAGE GROUP, INC. (MC90901) — RESPONDENT

* * * * * * * * * * * * * * *

1. The Department of Financial Institutions ("DFI") is responsible for regulating and licensing entities engaged in mortgage brokering, origination, and processing in accordance with the provisions set forth in KRS Chapter 286.8.

2. Paramount Residential Mortgage Group, Inc. ("Respondent") is authorized to do business in Kentucky as a mortgage company licensee pursuant to KRS Chapter 286.8, with an office located at 1265 Corona Pointe Court, Suite 301, Corona, CA 92879. Respondent's license number is MC90901. (ICIE# 328716)

3. DFI conducted an examination of the Respondent on June 8, 2015, and discovered that the licensee employed an unregistered loan processor and an unregistered loan originator, in violation of KRS 286.8-030(1)(c) and KRS 286.8-030(1)(d).

4. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, suspension or the imposition of civil penalties. *See* KRS 286.8-046 and 286.8-090.

5. In this case, DFI assessed a civil penalty against Respondent in the amount of Three Thousand Five Hundred Dollars ($3,500.00) for violating KRS 286.8.

6. In the interest of economically and efficiently resolving the violation(s) described herein, and without Respondent admitting or denying the statements of fact and legal conclusions herein, DFI and Respondent agree as follows:

a. Respondent agrees to a civil penalty assessment in the amount of Three Thousand Five Hundred Dollars ($3,500.00) for the violation(s) described herein;

b. Respondent agrees to and shall pay the total civil penalty assessed herein of Three Thousand Five Hundred Dollars ($3,500.00). The payment shall be due upon entry of the Agreed Order. The payment 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: Non-Depository Division – ORDER, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

c. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in KRS Chapter 286.8.

7. Respondent waives its right to demand a hearing at which it would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on its own behalf, or to otherwise appeal or set aside this Order.

8. Respondent consents to and acknowledges 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. Respondent agrees to cease and desist from using unlicensed loan processors or originators in Kentucky until such time as the requirements of KRS Chapter 286.8 are met.

10. In consideration of execution of this Agreed Order, Respondent for itself, and for its 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 Respondent ever had, now has, 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 investigation, this disciplinary action, this settlement or its administration.

11. 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.

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

IT IS SO ORDERED on this the 9th day of March, 2015.

CHARLES A. VICE
COMMISSIONER

Consented to:

This 4th day of March, 2016.

Tammy Scruggs, Director
Division of Non-Depository Institutions
Department of Financial Institutions

This 4 day of February, 2016.

Authorized Representative
Paramount Residential Mortgage Group, Inc., License # MC90901

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE)

On this the 4 day of FEBRUARY, 2016 before me JERRY WILSON NOTARY PUBLIC, the undersigned, ROOSTER HOLLIDAY, did personally appear and acknowledge himself/herself to be the authorized representative for Paramount Residential Mortgage Group, Inc. and that he/she, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: 11/13/2019

JERRY WILSON
COMM. #2130546
Notary Public - California
Riverside County
My Comm. Expires Nov. 13, 2019
NRO1 NRO1

Notary Public

CERTIFICATE OF SERVICE

I, ~~Kelly Childers~~ Christina Hayden, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 9 day of March, 2015, by certified mail, return receipt requested, to:

Mr. Ron Gapp
Paramount Residential Mortgage Group, Inc.
1265 Corona Pointe Court, Suite 301
Corona, CA 92879

Via hand-delivery to:

Gary A. Stephens
1025 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601

~~Kelly Childers~~ Christina Hayden
Department of Financial Institutions