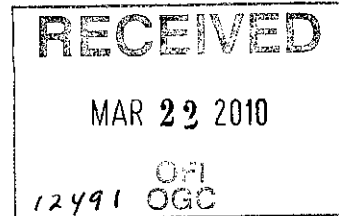


COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2009-AH-110  
ADMINISTRATIVE ACTION NO. 10-PPC-0015



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

FIRST RESIDENTIAL MORTGAGE NETWORK, INC.

and

JEREMY BRANUM

and

NATHANIEL PETERS

and

KEN PAYTON

RESPONDENTS

**FINAL 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. First Residential Mortgage Network, Inc. (“First Residential”) is authorized to do business in Kentucky as a licensed mortgage loan company (MC 17857) pursuant to the Act, with its principal office located at 9721 Ormsby Station Road, Suite 105, Louisville, KY 40223.

3. Jeremy Branum (“Branum”) is an individual employed by First Residential who resides at 16813 Polo Fields Lane, Louisville, KY 40245

4. Ken Payton (“Payton”) is an individual employed by First Residential who resides at 4408 Arroyo Trail, Louisville, KY 40229.

5. Nathaniel Peters (“Peters”) is an individual employed by First Residential who resides at 8802 New LaGrange Road, Louisville, KY 40242.

6. On December 17, 2009, the DFI filed an Administrative Complaint against the Respondents alleging: (a) that First Residential violated KRS 286.8-030(1)(d) by using three unregistered mortgage loan originators; (b) that Branum violated KRS 286.8-030(1)(c) by acting as a mortgage loan originator without being registered; (c) that Payton violated KRS 286.8-030(1)(c) by acting as a mortgage loan originator without being registered and (d) that Peters violated KRS 286.8-030(1)(c) by acting as a mortgage loan originator without being registered.

7. On January 4, 2010, the Respondents filed a Response to the DFI’s Administrative Complaint and denied the DFI’s allegations regarding violations of the Act.

8. In the interest of economically and efficiently resolving this matter and avoid the expense, inconvenience, and uncertainty of further administrative proceedings, and without any admission of fault or wrongdoing by the Respondents, the parties agree as follows.

a. Branum agrees to pay a fine in the amount of one thousand dollars (\$1,000.00);

b. Payton agrees to a pay a fine in the amount of one thousand dollars (\$1,000.00);

c. Peters agrees to pay a fine in the amount of one thousand dollars (\$1,000.00);

d. First Residential agrees to pay a fine in the amount of seven thousand five hundred dollars (\$7,500.00);

e. Branum, Payton, Peters, and First Residential agree to and shall pay their respective fines assessed herein 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: Simon Berry, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

f. Upon payment of the fine and the entry of this Final Agreed Order, this administrative action shall be dismissed with prejudice. The DFI shall provide a copy of this Order to the Hearing Officer.

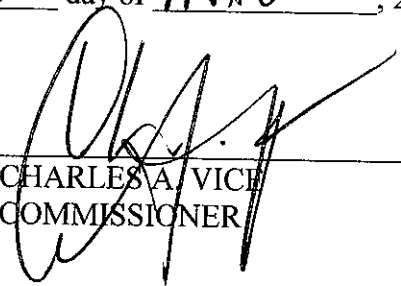
9. The Respondents waive their right to demand a hearing at which they would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on their own behalf, or to otherwise appeal or set aside this Order.

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

11. In consideration of execution of this Final Agreed Order, the Respondents, for themselves, and for their successors and assigns, hereby release and forever discharge 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 the 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 investigation, this disciplinary action, this settlement or its administration.

12. 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 Final Agreed Order and legally bind their respective parties.

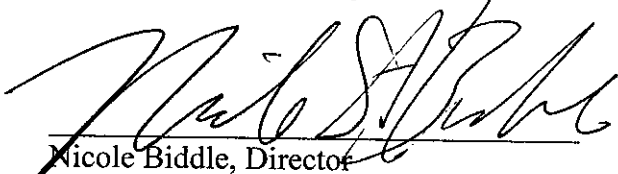
IT IS SO ORDERED on this the 29<sup>th</sup> day of March, 2010.

  
\_\_\_\_\_  
CHARLES A. VICI  
COMMISSIONER

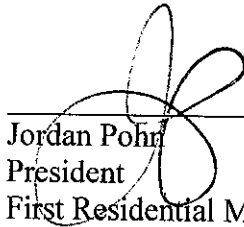
**Consented to:**

This 10<sup>th</sup> day of March, 2010.

This 18<sup>th</sup> day of MARCH, 2010.



Nicole Biddle, Director  
Division of Nondepository Institutions  
Department of Financial Institutions



Jordan Pohn  
President  
First Residential Mortgage Network, Inc.

**ACKNOWLEDGEMENT**

STATE OF Kentucky )  
 )  
COUNTY OF Jefferson )

On this the 18 day of March, 2010, before me Mary Lisa Stratman, the undersigned, **Jordan Pohn**, did personally appear and acknowledge himself to be the President of First Residential Mortgage Network, Inc., and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.


In witness whereof I hereunto set my hand.

My Commission Expires: 10-7-2013

Mary Lisa Stratman  
Notary Public

MARY LISA STRATMAN  
NOTARY PUBLIC  
STATE AT LARGE  
KENTUCKY  
COMMISSION # 404539  
MY COMMISSION EXPIRES OCTOBER 7, 2013

This 18 day of March, 2010.

  
Jeremy Branum

STATE OF Kentucky )  
 )  
COUNTY OF Jefferson )

On this the 18 day of March, 2010, before me Mary Lisa Stratman the undersigned, **Jeremy Branum**, did personally appear and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 10-7-2013

Mary Lisa Stratman  
Notary Public 

MARY LISA STRATMAN NOTARY PUBLIC STATE AT LARGE KENTUCKY COMMISSION # 404539 MY COMMISSION EXPIRES OCTOBER 7, 2013
---

This 18 day of March, 2010.

*Ken Payton*  
Ken Payton

STATE OF Kentucky )  
 )  
COUNTY OF Jefferson )

On this the 18 day of March, 2010, before me Mary Lisa Stratman, the undersigned, **Ken Payton**, did personally appear and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

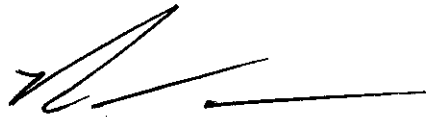
In witness whereof I hereunto set my hand.

My Commission Expires: 10-7-2013

*Mary Lisa Stratman*  
Notary Public

MARY LISA STRATMAN  
NOTARY PUBLIC  
STATE AT LARGE  
KENTUCKY  
COMMISSION # 404539  
MY COMMISSION EXPIRES OCTOBER 7, 2013

This 18 day of March, 2010.

  
\_\_\_\_\_  
Nathaniel Peters

STATE OF Kentucky )  
 )  
COUNTY OF Jefferson )

On this the 18 day of March, 2010, before me Mary Lisa Stratman, the undersigned, **Nathaniel Peters**, did personally appear and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 10-7-2013

Mary Lisa Stratman  
Notary Public 

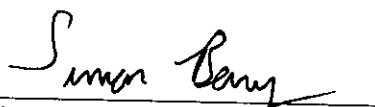
MARY LISA STRATMAN NOTARY PUBLIC STATE AT LARGE KENTUCKY COMMISSION # 404539 MY COMMISSION EXPIRES OCTOBER 7, 2013
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**Certificate of Service**

I, Simon Berry, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 30<sup>th</sup> day of March, 2010, by certified mail, return receipt requested, to the following:

Christy Ames  
Katherine Bell  
Stites and Harbison, PLLC  
400 West Market Street  
Suite 1800  
Louisville, KY 40202  
Attorney for the Respondents



Simon Berry  
Department of Financial Institutions  
1025 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601  
502-573-3390 ext. 232 (phone)  
502-573-2183 (facsimile)

Counsel for Complainant