

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2012-AH- 0148**

IN THE MATTER OF:
PRIMARY RESIDENTIAL MORTGAGE, INC.
4750 WEST WILEY POST WAY, SUITE 200
SALT LAKE CITY, UTAH 84116

AGREED ORDER

BACKGROUND AND FACTUAL FINDINGS

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 Licensing and Regulation Act (the “Act”).
2. Primary Residential Mortgage, Inc. (“Primary Residential”) is licensed with the Department of Financial Institutions (“DFI”) as a mortgage loan company (License No. MC23741, MC23742 & MC24307) whose principal office is located at 4750 West Wiley Post Way, Suite 200, Salt Lake City, Utah 84116.
3. On January 10, 2012, an off-site examination was conducted into the condition, workings and affairs of Primary Residential 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.
4. As a result of that January 10, 2012 examination, the DFI determined that on October 27, 2009 and March 11, 2010, Primary Residential directly or indirectly employed or used the services of unregistered mortgage loan processor in connection with a residential mortgage loan that it funded with a Kentucky borrower and which

closed on August 6, 2011, in violation of KRS 286.8-030(1)(d), which prohibits a mortgage loan company from employing or using a mortgage loan originator or a mortgage loan processor who is not registered in accordance with KRS 286.8-255.

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

6. In this case, the DFI has assessed a fine against Primary Residential in the amount of one thousand dollars (\$1,000.00) for employing or using unregistered mortgage loan processor in violation of KRS 286.8-030(1)(d).

7. Primary Residential states that it does not agree with the DFI's findings and does not admit the violation described herein.

8. However, in the interest of economically and efficiently resolving the violation described herein, the DFI and Primary Residential agree as follows:

AGREEMENT AND ORDER

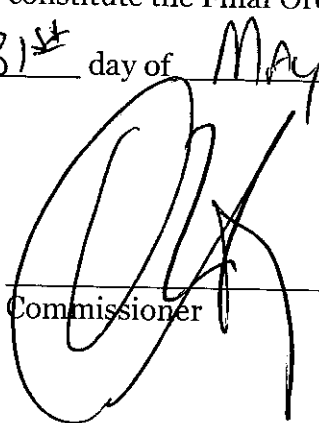
1. Primary Residential agrees to pay a fine in the amount of One Thousand Dollars (\$1,000) for the alleged violation set forth above, which shall be made payable to the "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: William Owsley, 1025 Capital Center Drive,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

2. In regard to this matter, Primary Residential waives its right to demand a hearing, at which Primary Residential 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, Primary Residential 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. This Settlement Agreement shall constitute the Final Order in this matter.

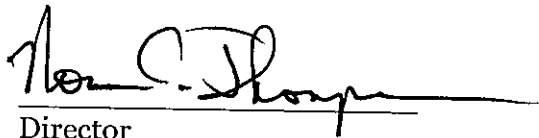
IT IS SO ORDERED on this the 31st day of May, 2012.



Commissioner

Consented to:


This 18 day of May, 2012



Director
Division of Non-depository Institutions
Department of Financial Institutions

This 16th day of MAY, 2012

Primary Residential Mortgage, Inc.

BY: 
ITS: SR. VICE PRESIDENT