

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-005**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

GREG RAYMOND; GINA BAYLISS; SUMMER ROBERTS;
ANDREW BACKHUS; STEPHEN SLOCUM; LORI SHEPARD;
JOHN WILLIAMS and CHAD CRAGHEAD

RESPONDENTS

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. James B. Nutter & Company has an office authorized to do business in Kentucky as a mortgage company pursuant to the Act, with the office located at 4153 Broadway, Kansas City, MO 64111. Its license number is MC21633.

3. DFI conducted an examination of James B. Nutter & Company on October 26, 2009. During the examination, DFI discovered that James B. Nutter & Company had employed individuals who potentially transacted business as mortgage loan originators in Kentucky in violation of KRS 286.8-255, which prohibits a natural person from transacting business in Kentucky, either directly or indirectly, as a mortgage loan

originator unless such person is registered with DFI and in compliance with the provisions of KRS 286.8-255 and the Act.

4. Respondent Greg Raymond is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

5. Respondent Gina Bayliss is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

6. Respondent Summer Roberts is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

7. Respondent Andrew Backhus is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

8. Respondent Stephen Slocum is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

9. Respondent Lori Shepard is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

10. Respondent John Williams is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

11. Respondent Chad Craghead is one of the individuals found by DFI to have potentially acted as a mortgage loan originator in connection with one or more loans while employed by James B. Nutter & Company.

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

13. In this case, DFI has proposed assessments against each of the Respondents for acting as unregistered loan originators with respect to Kentucky loans, in violation of KRS 286.8-255.

14. Respondents do not admit to the violations of KRS 286.8-255, and assert that their actions were neither willful nor intentional, but each Respondent is entering into this Agreed Order in lieu of proceeding with a formal hearing on the issues that comprise this matter.

15. In the interest of economically and efficiently resolving the alleged violation(s) described herein, DFI and the Respondents agree as follows:

a. Respondent Greg Raymond agrees to pay to DFI an assessment against him in the amount of one thousand dollars (\$1,000.00) for his alleged violation(s) described herein;

b. Respondent Gina Bayliss agrees to pay to DFI an assessment against her in the amount of one thousand dollars (\$1,000.00) for her alleged violation(s) described herein;

c. Respondent Summer Roberts agrees to pay to DFI an assessment against her in the amount of five hundred dollars (\$500.00) for her alleged violation(s) described herein;

- d. Respondent Andrew Backhus agrees to pay to DFI an assessment against him in the amount of five hundred dollars (\$500.00) for his alleged violation(s) described herein;
- e. Respondent Stephen Slocum agrees to pay to DFI an assessment against him in the amount of one thousand dollars (\$1,000.00) for his alleged violation(s) described herein;
- f. Respondent Lori Shepard agrees to pay to DFI an assessment against her in the amount of one thousand dollars (\$1,000.00) for her alleged violation(s) described herein;
- g. Respondent John Williams agrees to pay to DFI an assessment against him in the amount of five hundred dollars (\$500.00) for his alleged violation(s) described herein;
- h. Respondent Chad Craghead agrees to pay to DFI an assessment against him in the amount of five hundred dollars (\$500.00) for his alleged violation(s) described herein;
- i. In consideration for DFI's agreement to forbear collection of the above assessments directly from the Respondents, James B. Nutter & Company and each of the Respondents agree that James B. Nutter & Company shall pay on behalf of the Respondents the total amount assessed in a single payment of six thousand dollars (\$6,000.00), which payment shall be due prior to the entry of this Order but in no event later than February 1, 2011, and which 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:

Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

j. Each Respondent agrees that he or she shall be personally responsible for the payment and satisfaction assessment against him or her as set forth above, in the event that such sum is not paid by James B. Nutter & Company as set forth above herein; and

k. Respondents shall each 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. Respondents waive their respective rights 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 behalves, 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 respective 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 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.

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.

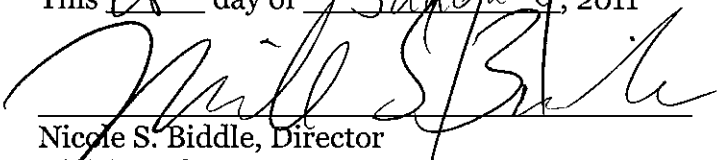
IT IS SO ORDERED on this the 31st day of JANUARY, 2011.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 28th day of January, 2011



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

Consented to:

This 20 day of JANUARY, 2011



Greg Raymond

ACKNOWLEDGEMENT

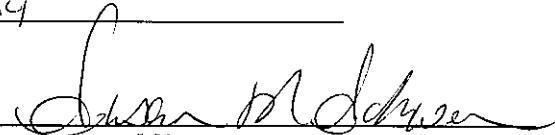
STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 20th day of January, 2011, before me Susan M Schweer, the undersigned, **Greg Raymond** did personally appear and acknowledge himself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983



Notary Public

Consented to:

This 20th day of January, 2011

Gina Bayliss
Gina Bayliss

ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 20th day of January, 2011, before me Susan M. Schweer the undersigned, **Gina Bayliss** did personally appear and acknowledge herself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

Susan M. Schweer
Notary Public

Consented to:

This 22 day of January, 2011

Summer Roberts
Summer Roberts

ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 22nd day of January, 2011, before me Summer Roberts, the undersigned, **Summer Roberts** did personally appear and acknowledge herself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

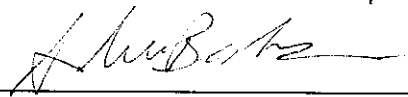
My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

Susan M. Schweer
Notary Public

Consented to:

This 20 day of January, 2011


Andrew Backhus

ACKNOWLEDGEMENT


STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 20th day of January, 2011, before me Susan M Schweer, the undersigned, **Andrew Backhus** did personally appear and acknowledge himself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983


Notary Public

Consented to:

This 20 day of JANUARY, 2011

[Signature]
Stephen Slocum

ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 20th day of January, 2011, before me Susan M. Schweer the undersigned, **Stephen Slocum** did personally appear and acknowledge himself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

[Signature]
Notary Public

Consented to:

This 24 day of January, 2011

Lori Shepard
Lori Shepard

ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 24th day of January, 2011, before me Lori Shepard, the undersigned, **Lori Shepard** did personally appear and acknowledge herself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

Susan M. Schweer
Notary Public

Consented to:

This 20 day of 01, 2011

John H Williams
John Williams

ACKNOWLEDGEMENT

STATE OF Missouri)
)
COUNTY OF Jackson)

On this the 20th day of January, 2011, before me Susan M Schweer, the undersigned, **John Williams** did personally appear and acknowledge himself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

Susan M Schweer
Notary Public

Consented to:

This 24 day of January, 2011

Chad Craghead
Chad Craghead

ACKNOWLEDGEMENT

STATE OF §§ ~~JACKS~~ Missouri)
COUNTY OF Jackson)

On this the 24th day of January, 2011, before me Chad Craghead, the undersigned, **Chad Craghead** did personally appear and acknowledge himself to be the individual referred to in the foregoing instrument and authorized to enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 9/26/2014

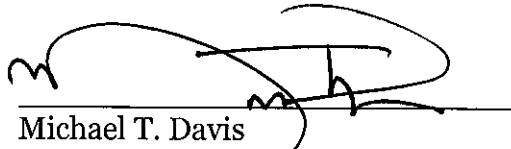
SUSAN M. SCHWEER
Notary Public - Notary Seal
STATE OF MISSOURI
Clay County
My Commission Expires: 9-26-2014
Commission # 10019983

Susan M. Schweer
Notary Public

Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 12th day of February, 2011, by certified mail, return receipt requested, to the following:

John W. "Jay" Simpson, Esq.
Shook, Hardy & Bacon, L.L.P.
2555 Grand Boulevard
Kansas City, MO 64108
Counsel for Respondents

A handwritten signature in black ink, appearing to read 'M T Davis', is written over a horizontal line.

Michael T. Davis
Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601
502-573-3390 ext. 240 (phone)
502-573-2183 (facsimile)
Counsel for Complainant