

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2012-AH-0160

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

NFM, INC.

RESPONDENT

AGREED FINAL 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.

2. NFM, Inc. (“Respondent”) has several locations authorized to do business in Kentucky as a mortgage loan companies, pursuant to KRS Chapter 286.8. Those locations include 505 Progress Drive, Suite 100, Linthicum MD 21090 (MC19117), 106 F Centre Blvd., Suite G, Marlton, NJ 08053 (MC71600), and 9626 Deereco Road, Timonium, MD 21093 (MC71051).

3. During a routine examination of the above-named locations, DFI cited Respondent for utilizing unregistered loan originators, in violation of KRS 286.8-030, which prohibits a mortgage loan company from employing or using unregistered loan originators.

4. The Department 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.

5. Respondent does not admit to the violations of KRS 286.6-030, and is entering into this Agreed Order in lieu of proceeding with a formal hearing on the issues that comprise this matter.

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

a. Respondent agrees to and shall pay the total settlement amount of seven thousand five hundred twenty dollars (\$7,500), 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;

b. 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 and the regulations set forth in 808 KAR Chapter 12.

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.

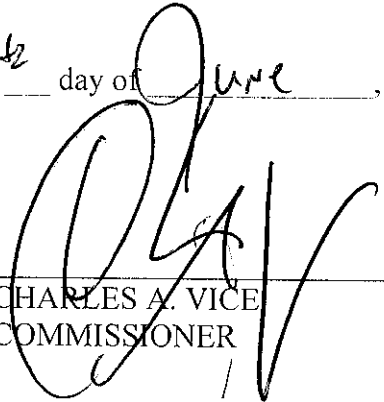
8. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

9. 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.

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.

IT IS SO ORDERED on this the 18th day of June, 2012.

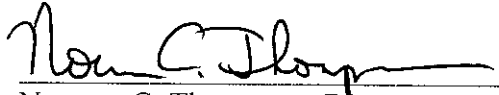


CHARLES A. VICE
COMMISSIONER

Consented to:

This 19 day of JUNE, 2012.

This 18 day of June, 2012.



Norman C. Thompson, Director
Division of Non-Depository Institutions
Department of Financial Institutions



Authorized Representative
NFM, Inc.

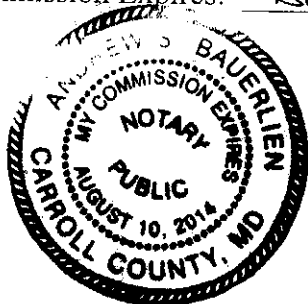
ACKNOWLEDGEMENT

STATE OF MARYLAND)
)
COUNTY OF CARROLL)

On this the 18 day of June, 2012, before me ANDREW BAUERLIEN, the undersigned, MD Notary Public did personally appear and acknowledge himself/herself to be the authorized representative of NFM, Inc., and that he/she, 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: Aug 10, 2014



Andrew S. Bauerlien
Notary Public

Certificate of Service

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 20th day of June, 2012, by certified mail, return receipt requested, to the following:

Stephanie A. Bogan, Esq.
General Counsel & Chief Compliance Officer
NFM, Inc.
505 Progress Drive, Suite 100
Linthicum, MD 21090

Stephanie Dawson
Stephanie Dawson
Department of Financial Institutions