

FIRST MORTGAGE BROKERS
REPORT OF EXAMINATION
AND
EXAMINER'S QUESTIONNAIRE

Date of Examination: MAY 15, 1996 License Number 2503

Name of Licensee: FINANCIAL RESOURCES AND ASSISTANCE, INC.

Address: 15 NORTHVIEW DRIVE, MEREDITH, NEW HAMPSHIRE 03253

GENERAL

Type of Examination:
First Mortgage Banker No Broker Yes Both No

Exact location of office: NORTHVIEW DRIVE IS ON THE EASTERN SIDE OF ROUTE 3 ON THE SOUTHERN SIDE OF THE TOWN NEAR THE TOP OF THE HILL, NEXT TO THE MEREDITH SQUARE. LICENSE IS LOCATED AT THE END OF NORTHVIEW DRIVE.

Office hours: 9:00 A.M. TO 5:00 P.M.

Describe briefly the general plan of question: LOCALLY OWNED BROKERAGE FIRM DEALING WITH SEVERAL LENDERS. IN RECENT MONTHS IT HAS BEEN BROKERING AN INCREASING NUMBER OF LOANS FOR CLIENTS WITH B AND C CREDIT. IT ALSO DOES A SIZEABLE COMMERCIAL BROKERING BUSINESS.

Loans brokered by licensee in last calendar year from the Annual Report
No. 81 \$ 5,533,750

Loans brokered during the current calendar year.
No. 17 \$ 1,465,560

Does licensee appear to be operating its business in a lawful, honest and fair manner? Yes

Does the licensee operate through an agent or other representative? No

Are there any suits pending against the licensee with regard to its New Hampshire brokerage activity? No

Does the broker negotiate VA and FHA loans? No
If so, estimate percentage, based on number of loans of its business in such loans.

VA N/A FHA N/A Other 100%

LICENSE

Principal office license Yes or branch office license No ?

Is license conspicuously posted in office? Yes Where? ON WALL
NEXT TO RECEPTIONIST DESK, OUTSIDE CONFERENCE ROOM.

Is this person or company required to hold a broker license and/or banker license? A MORTGAGE BROKER LICENSE IS REQUIRED ALTHOUGH BOTH LICENSES ARE HELD.

Is licensee a subsidiary of a bank or bank holding company? No
List name and address of bank or holding company? N/A

Does licensee operate from other locations in this state? No
If so, list locations: No

Is this license for an agent location? No

Is the address on the license the current address of the licensee? Yes
If not, has a location amendment been made by the Banking Department? N/A

Has there been a change in the trade name? No

Has there been a change in ownership of the business? No

Does the company broker second mortgage loans? Yes

Does the company broker commercial loans? Yes

RECORDS

Are records and files of the licensee adequate to permit an examination that will determine if the licensee is complying with the provisions of RSA 397-A? Yes, EXCEPT FOR THE LACK OF HUD-1 SETTLEMENT SHEETS.

RECORDS (CONTINUED)

Where are records and files maintained? *AT LICENSEE LOCATION.*

Are records kept at least 18 months? *Yes*

Are computer records maintained? *ALL PHASES OF ACCOUNTING AND WORD PROCESSING ARE COMPUTERIZED.*

Are copies of paid vendor invoices available for expenses incurred on the behalf of applicants? *YES, THEY ARE KEPT IN THE ACCOUNTING DEPARTMENT.*

MISCELLANEOUS

Has the licensee violated any law, rule or standard business practice? *No*
List detail, if any? *N/A*

List the loan repayment plans in use as of the examination date:

REGULAR MONTHLY PAYMENTS, MOSTLY WITH FIXED INTEREST RATES BUT SOME WITH ADJUSTABLE RATES

Was the Annual Report properly and timely filed?

ANNUAL REPORT APPEARS TO BE CORRECTLY COMPLETED BUT WAS FOUR DAYS LATE AND LICENSEE WAS FINED \$100.

Do special arrangements need to be made for a regular examination?

List instructions below: *EXAMINATION NEEDS TO BE ARRANGED IN ADVANCE (BY PHONE) TO BE SURE THE PRESIDENT WILL BE AVAILABLE -*

Is the manager aware of the new requirements regarding company response to consumer complaints? *Yes*

VIOLATIONS

	# of Violations	Dollar Amount of
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total Violations	# <u> 0 </u>	<u> 0 </u>

COMMENTS, RECOMMENDATIONS AND CONCLUSIONS

OF THE FIFTEEN LOAN FILES REVIEWED, ONLY TWO CONTAINED THE HUD-1 SETTLEMENT SHEET. MR FARAH WAS INFORMED THAT OUR OFFICE WANTS EVERY LOAN FILE TO CONTAIN THE HUD-1 AND ANY OTHER CLOSING DOCUMENTS IT CAN RECEIVE FROM THE LOAN CLOSING.

THIS LICENSEE, IN MY OPINION, IS CONDUCTING ITS FIRST MORTGAGE HOME LOAN BUSINESS IN CONFORMITY WITH THE PROVISIONS OF RSA 397-A


EXAMINER

FIRST MORTGAGE BANKER AND BROKER
EXECUTIVE OFFICER BROKER QUESTIONNAIRE

Name of Licensee FINANCIAL RESOURCES AND ASSISTANCE, INC

Examination Date MAY 15, 1996 License Number 2503

1. Name of office manager: SCOTT FARAH
List other employees with titles, who work in this office.

Suzanne Robison office manager

Domy Gore Underwriter

2. If licensee is affiliated with another business entity, list name, address and type of business, and nature of affiliation.

NO

3. Provide the examiner with the following for this location only: Numbers 17 and \$1,465,560 volume of loans brokered since January 1st of current year.

4. In your capacity as a broker, do you:

(A) Act as an intermediary, Finder, or Agent of a Lender or Borrower to negotiate, arrange, find, or procure First Mortgage Loans, or commitments for First Mortgage Loans? Yes

(B) Offer to serve as Agent for any person in an attempt to obtain a First Mortgage Loan? Yes

(C) Offer to serve as Agent for any person who has money to lend for a First Mortgage Loan? Yes

5. If the licensee is under any regulatory action by either state or federal authorities, please provide details.

NO

6. Do you ever co-broker loans with another licensed broker in New Hampshire?

NO

7. Detail the records or files maintained by the licensee.

closed files we keep on record for more than 24 months
Deal files we keep on record for more than 12 mths.

8. To what extent does the licensee get involved in processing the application?

All VO's and Appraisal ordered in our name

9. Does the licensee broker VA and/or FHA loans?

NO

10. Does the licensee broker second mortgage loans?

Yes

11. List the names and addresses of all originators who broker loans for this office:

SCOTT FARRAH SUZANNE RICHMOND GREG THOMAS
DANIEL FARRAH DONNA GORE

All listed in memo

12. Provide a list of all independent agents who are exclusive to your business under written contract and are therefore exempt from licensing under RSA 397-A:4,VII.

NONE

13. Provide the names and addresses of all finders with which the licensee does business.

NONE

14. List the investors with whom the licensee arranges loans for its clients.

Major Banks ARE



15. Does the licensee have any suits pending against it initiated by applicants?

NO

16. Does the licensee have a copy of RSA 397-A, First Mortgage Banker or Broker law?

Yes

17. Is any advertising done from this office? If yes, provide a copy or sample of such advertisement.

Direct Mailers.

FINANCIAL RESOURCES, INC.

15 NORTHVIEW DRIVE • P.O. BOX 1158 • MEREDITH, NH 03253

(603) 279-1132 • FAX (603) 279-5912

Dear Homeowner:

Through our ongoing research efforts, designed to help homeowners who may be experiencing some temporary financial difficulties, it has come to our attention that you currently have one or more tax liens on your home. We may be able to help you pay off those liens, and even to receive additional cash to pay off other debts.

Incorporated some six years ago, Financial Resources, Inc. has grown to one of the largest mortgage companies in the State of New Hampshire. We are able to place a broad selection of mortgages with over 60 different funding sources.

One of our programs allows our client to evaluate the possibility of refinancing their home mortgage, with what is called a "cash-out" debt consolidation loan. Funds available from the equity in their homes often allow our clients to consolidate most, if not all, of their other bills into one low-interest home mortgage loan. This can often result in considerably lower monthly payments, as well as possible substantial income tax savings.

We invite you to call our offices to discuss a possible debt consolidation mortgage. We can usually pre-qualify our clients for a money saving loan within 24 hours. There are no application fees of any kind for this service.

We look forward to hearing from you, and helping you to evaluate your home equity options. Please call 1-800-950-6913.

Sincerely,


Donna M. Gore
Mortgage Loan Officer

DMG:sjs

RATE LOCKS

1. Does your company offer rate locks? *Yes* If not, stop here on this section.

2. Is a fee charged to lock a rate? *Yes* If yes, state percentage or dollar amount.

1 % \$ _____

3. Estimate the percentage of your applicants that pay a rate lock fee either at origination or during the application processing procedure. 15 %

4. Is the company rate lock policy made known to applicants at the time the rate lock is confirmed? *Yes* If in written form, attached a copy of the policy.

5. What are the time periods for rate locks currently being offered customers? *45 - 60 DAYS*

6. A. Is the rate lock fee refunded if the loan does not close? *Yes*
B. State the company policy if the loan does not close within the rate lock period. *If Company's Fault Rate lock honored the borrower fault rate lock is not honored*
C. Is a rate lock expiration date ever extended?
Yes

7. Estimate the percentage of rate lock granted that expired before the loan was closed in the previous twelve months?
10 %

8. Has the company received any applicant complaints in the event of rate locks not being honored? *No* If yes, estimate the number of such complaints for the previous twelve months. 0 %

9. Does the company negotiate loan rates if the applicants' rate locks have expired and rates have risen?
Yes

APPLICATION PROCESS

1. At the time of application, are all applicants informed of the lender's right to assign, sell or transfer the loan as well as the servicing rights thereon? *Yes IN My Disclosure*
 2. A. Are all applicants given a Good Faith Estimate no later than three business days after receipt of the written application setting forth the estimated settlement charges? *Yes*
B. Are all applicants given a copy of the "Settlement Costs" Special Information Booklet no later than three business days after receipt of the written application? *Yes*
 3. Do staff members explain the variety of loan products available to applicants in order to facilitate informed borrowing decisions? *Yes*
 4. Are applicants made aware of the detailed and complex nature of the application process and the requirements expected of them to provide financial and other relevant information in order to complete that process? *Yes*
 5. Are all staff members aware that falsifying a loan application information is a federal crime? *Yes*
 6. A. Approximately how long does it take to process an application? *4 weeks*
B. Approximately what percentage of loan applications received are ultimately approved and funded? *85*
- Briefly describe formal training provided to all company application takers before field assignments.
- All My employees have Many Years Experience we have training sessions as needed*
7. Does the company currently have adequate staff to process its volume of business in a timely manner? *Yes*
 8. What is company policy on the return of applicants telephone calls? *within 24 Hours of receipt*
 9. Does your company have a toll free telephone number? If so, list number(s) and location(s). *800 950 6913*

10. Are denial letters mailed on declined applications?

Yes

NO UP
Profit

Financial Reserve
Fees to

FEEES

1. A. List any fees required during the loan application approval process and the dollar amount.

950 for appraisal

50 for credit

450

Multifamily
Appraisal

B. If fees are prepaid, what is the company policy on refunding such fees in the event the loan does not close?

N.A.

C. Is the policy on refunding of fees clearly explained at the time of application? Is a written statement given to the applicant?

N.A.

2. If a commitment fee is required upon loan approval, is the applicant so advised at the time of application?

NONE

3. Are checks used for payments of all types of fees processed and deposited promptly?

Yes

4. Does the company deposit fee monies received in a separate depository account?

NO

5. Are applicants made aware in advance of all monies required at closing for deposits and costs that are not strictly related to settlement charges, such as interest and tax escrow?

Yes

CERTIFICATION UNDER OATH

SCOTT FARAH, being duly sworn,
deposes and says that he/she is President
and that the foregoing answers are true and correct in all
respects to the best of his/her knowledge and belief.



Title: President

NAME	APP LIC AT 6M	H U D 1	AP R	DATE OF NOTE ORIGINAL AMOUNT	R A T E	P O N T S	T E R M	M T G E	PRAISED VALUE	G I F T E	T I L	AS SET S	HOME IN-SURANCE	T I T L E I N S.
	✓	0		2-3-95 600,000	A 6 1/4	0	360		838,000 7-14-95	✓			307,000	
	✓	0		3-14-96 612,000	A 8.99	0	360		69,000 1-19-96	✓				
	✓	0		10-05-95 48,100	A 11.05	0	360		74,000 9-11-95	✓			109,000	
	✓	0		9-21-95 72,800	A 8.90	1/2	360		105,000 8-25-95	✓			108,000	
	✓	0		2-28-95 120,500	7 3/4	0	360		145,000 1-04-95	✓			114,000	
	✓	0		3-18-96 117,900	7 3/8	1 1/8	360		133,000 1-31-96	✓			150,000	
	✓	0		10-14-95 68,250	8 1/2	2	360		105,000 9-13-95	✓			115,000	
	✓	0		11-01-94 47,500	10 3/8	0	360		54,000 9-13-95	✓				
	✓	0		5-07-96 49,275	A 13 5/8	0	360		78,000 3-27-96	✓			75,000	
	✓	✓		2-16-96 73,600	10.2	2 1/2	360		92,000 2-02-96	✓			147,000	
	✓	0		10-23-95 54,000	8 1/8	0	360		75,000 10-02-95	✓			85,000	
	✓	0		1-16-95 24,300	A 17.8	5	360		48,000 12-21-94	✓				
	✓	0		6-06-95 63,700	A 12.79	4	360		98,000 5-04-95	✓				
	✓	0		5-09-96 152,000	A 8 3/4	3	360		203,000 3-19-96	✓			179,000	
	✓	✓		1-05-96 140,400	6 7/8	1 1/2	180		154,000 12-17-95	✓			151,700	

NAME	LENDER	DROKER FEE	
[REDACTED]	[REDACTED]	Not known	No HUD-1
[REDACTED]	[REDACTED]	1,224	(2 POINTS)
[REDACTED]	[REDACTED]	962	(2 POINTS)
[REDACTED]	[REDACTED]	2,548	(3 1/2 POINTS)
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	492.75	(1 POINT)
[REDACTED]	[REDACTED]	184	(1/4 POINT PLUS 2 1/2 POINTS PAID TO LICENSEE BY BORROWER)
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	1,215	(5 POINTS)
[REDACTED]	[REDACTED]	Not known	
[REDACTED]	[REDACTED]	2,280	(1 1/2 POINTS)
[REDACTED]	[REDACTED]	526.50	(3/8 POINTS PLUS 1/2 POINTS PAID TO LICENSEE BY BORROWER (2,106))

DE LINED LOANS

NAME	REASON	LETTER SENT
[REDACTED]	INADEQUATE CREDIT HISTORY	YES
[REDACTED]	DID NOT RESPOND TO LETTERS	YES
[REDACTED]	DID NOT RESPOND TO LETTERS	YES
[REDACTED]	DID NOT RESPOND TO LETTERS	YES
[REDACTED]	DID NOT RESPOND TO LETTERS	YES
[REDACTED]	NEEDS LARGER DOWN PAYMENT TO QUALIFY	YES
[REDACTED]	INSUFFICIENT DOWNPAYMENT	YES
[REDACTED]	INADEQUATE INCOME	YES
[REDACTED]	INADEQUATE EQUITY IN PROPERTY	YES
[REDACTED]	POOR CREDIT INSUFFICIENT DOWN PAYMENT	YES



State of New Hampshire

Banking Department

169 Manchester Street
Concord, New Hampshire 03301

Telephone: (603) 271-3561

FAX: (603) 271-1090

KATHLEEN L. BELANGER
ADMINISTRATOR, REGULATION & LICENSING

RAYMOND A. HEROUX
CONSUMER CREDIT ADMINISTRATOR

A. ROLAND ROBERGE
BANK COMMISSIONER
ALLAN N. JEANNOTTE
DEPUTY BANK COMMISSIONER
JEAN M. DOBBINS
CHIEF BANK EXAMINER

Form 397-A-1

FIRST MORTGAGE BANKER/BROKER ANNUAL REPORT

READ INSTRUCTIONS
CAREFULLY

INSTRUCTIONS

FEB 6 1996
PM 18 2/5/96

- ONLY INFORMATION REGARDING NEW HAMPSHIRE FIRST MORTGAGE LOANS SHOULD BE REPORTED ON THIS FORM. Don't double-count loans. List all 1995 loans brokered on Schedule A and all 1995 loans made on Schedule B.

- Fully completed reports must be postmarked on or before February 1. Failure to file a fully completed report by February 1 shall result in a \$25/day fine.

- Complete all items. DO NOT leave items blank. Reports with blank items will be returned for completion. Fines will be assessed based on the postmark date of completed reports. The department is under no obligation to review and return incomplete reports before the February 1 deadline.

- If you did not make or broker any New Hampshire loans during the reporting year, you must either provide the department with a WRITTEN statement to such effect which is postmarked on or before February 1,

OR

Utilize this form and make an affirmative statement that no such loans were made/brokered, (ie: "none", "O", "zero", etc.). DO NOT use "N/A", state "not applicable" or leave blank.

- Items requiring a numerical response which are marked "N/A" or "not applicable", or forms submitted with items left blank, will be considered incomplete, and will be subject to fines if not completed and returned to this office on or before February 1.

- Fines will NOT be waived for failure to submit a fully completed report postmarked on or before February 1. Failure to submit a fully completed report shall be considered to be within the control of the licensee.

- If you held a license for any portion of the reporting year you must file a report, even if no loans were made or brokered. Failure to file will result in a \$25/day fine.

- **REPORTS TRANSMITTED VIA "FAX" WILL NOT BE ACCEPTED. LATE FILING FINES WILL BE ASSESSED UNLESS AN ORIGINAL SIGNED AND NOTARIZED REPORT FORM IS RECEIVED BY THIS OFFICE POSTMARKED ON OR BEFORE FEBRUARY 1.**

Reporting Period Ended December 31, 19 95

Name of licensee FINANCIAL RESOURCES & ASSISTANCE, INC. License # 2503MB
(for reporting period)

Trade name d/b/a (if applicable) _____

Place of business 15 Northview Drive Meredith NH 03253
(street) (city) (state) (zip)

Number of offices included 1 (If more than one office, attach sheet listing addresses of all offices included in this report.)

Type of business conducted: Mortgage Banker X Mortgage Broker X
(Check both if applicable.)

Company contact person Scott Farah Tel # (603) 279-1133

Address P.O. Box 1158, Meredith, NH 03253 Title President

**SCHEDULE A
NH FIRST MORTGAGE LOANS BROKERED**

	<u>No. of NH Loans</u>	<u>\$ Amount (Omit Cents)</u>
NH first mortgage loans <u>BROKERED</u> during reporting year	<u>61</u>	<u>5,533,750</u>

**SCHEDULE B
ANALYSIS OF NH FIRST MORTGAGE LOANS MADE**

	<u>No. of NH Loans</u>	<u>\$ Amount (Omit Cents)</u>
NH first mortgage loans MADE during reporting year	* _____	# _____
Total balances outstanding on Dec 31 for all NH first mortgage loans retained or serviced	_____	_____

**SCHEDULE C
ANALYSIS OF NH FIRST MORTGAGE LOANS MADE BY NUMBER AND DOLLAR AMOUNT**

NH first mortgage loans MADE during reporting year:

	<u>No. of NH Loans</u>	<u>\$ Amount (Omit Cents)</u>
\$ 1 thru \$ 50,000	_____	\$ _____
\$ 50,001 thru \$ 75,000	_____	_____
\$ 75,001 thru \$100,000	_____	_____
\$100,001 thru \$125,000	_____	_____
\$125,001 thru \$150,000	_____	_____
Over \$150,000	* _____	# \$ _____
Total NH first mortgage loans MADE	_____	_____

* Must agree
Must agree

AFFIDAVIT

I, Scott Fawc, the undersigned,
being the President of the Financial Resources Trust,
swear, that to the best of my knowledge and belief the information supplied on this form, including accompanying schedules and
statements (if any) are true and correct.



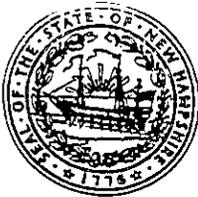
State of New Hampshire
County of Belknap)ss

Subscribed and sworn to before me this 31st day of January, 19 96



Notary Public/Justice of the Peace

My commission expires _____
MAUREEN E. GLENNON, Notary Public
My Commission Expires September 8, 1999



State of New Hampshire

Banking Department

169 Manchester Street
Concord, New Hampshire 03301

Telephone: (603) 271-3561
FAX: (603) 271-1090

A. ROLAND ROBERGE
BANK COMMISSIONER
ALLAN N. JEANNOTTE
DEPUTY BANK COMMISSIONER
PAUL E. BOURGAULT
CHIEF BANK EXAMINER

Form 397-A-2
**FIRST MORTGAGE BANKER/BROKER
ANNUAL REPORT**

READ INSTRUCTIONS
CAREFULLY

INSTRUCTIONS

- ONLY INFORMATION REGARDING NEW HAMPSHIRE FIRST MORTGAGE LOANS SHOULD BE REPORTED ON THIS FORM

- Fully completed reports must be postmarked on or before February 1. Failure to file a fully completed report by February 1 shall result in a \$25/day fine.

- Complete all items. DO NOT leave items blank. Reports with blank items will be returned for completion. Fines will be assessed based on the postmark date of completed reports. The department is under no obligation to review and return incomplete reports before the February 1 deadline.

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OR

Utilize this form and make an affirmative statement that no such loans were made/brokered, (ie: "none", "0", "zero", etc.). DO NOT use "N/A", state "not applicable" or leave blank.

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- If you held a license for any portion of the reporting year you must file a report, even if no loans were made or brokered. Failure to file will result in a \$25/day fine.

- REPORTS TRANSMITTED VIA "FAX" WILL NOT BE ACCEPTED. LATE FILING FINES WILL BE ASSESSED UNLESS AN ORIGINAL SIGNED AND NOTARIZED REPORT FORM IS RECEIVED BY THIS OFFICE POSTMARKED ON OR BEFORE FEBRUARY 1.

Reporting Period Ended December 31, 19 94

Name of licensee FINANCIAL RESOURCES & ASSISTANCE, INC. License # 2066
(for reporting period)

Trade name d/b/a (if applicable) _____

Place of business 15 NORTHVIEW DRIVE MEREDITH, NH 03253
(street) (city) (state) (zip)

Number of offices included 1 (if more than one office, attach sheet listing addresses of all offices included in this report.)

Type of business conducted: Mortgage Banker X Mortgage Broker X
(Check both if applicable.)

Company contact person SCOTT FARAH Tel # (603) 279-1133

Address P.O. Box 1158, Meredith, NH 03253 Title President

**SCHEDULE A
NH FIRST MORTGAGE LOANS BROKERED**

	<u>No. of NH Loans</u>	<u>\$ Amount</u> <u>(Omit Cents)</u>
NH first mortgage loans <u>BROKERED</u> during reporting year	<u>97</u>	<u>\$7,670,715 00</u>

**SCHEDULE B
ANALYSIS OF NH FIRST MORTGAGE LOANS MADE**

	<u>No. of NH Loans</u>	<u>\$ Amount</u> <u>(Omit Cents)</u>
NH first mortgage loans MADE during reporting year	* _____	# _____
Total balances outstanding on Dec 31 for all NH first mortgage loans retained or serviced	_____	_____

**SCHEDULE C
ANALYSIS OF NH FIRST MORTGAGE LOANS MADE BY NUMBER AND DOLLAR AMOUNT**

NH first mortgage loans MADE during reporting year:

	<u>No. of NH Loans</u>	<u>\$ Amount</u> <u>(Omit Cents)</u>
\$ 1 thru \$ 50,000	_____	\$ _____
\$ 50,001 thru \$ 75,000	_____	_____
\$ 75,001 thru \$100,000	_____	_____
\$100,001 thru \$125,000	_____	_____
\$125,001 thru \$150,000	_____	_____
Over \$150,000	_____	_____
Total NH first mortgage loans MADE	* _____	# \$ _____

* Must agree
Must agree

AFFIDAVIT

I, Scott D. Farah the undersigned,
being the President of the Financial Resources, Inc.
swear, that to the best of my knowledge and belief the information supplied on this form, including accompanying schedules and
statements (if any) are true and correct.



State of New Hampshire)
County of Belknap)ss

Subscribed and sworn to before me this 31st day of January, 1995



Notary Public/Justice of the Peace

My comm

My commission expires September 2, 1997

My Commission Expires September 2, 1997

My Commission Expires September 2, 1997



State of New Hampshire

Banking Department

CR. NO. 15947 24-133/117
DATE 1-9-96

169 Manchester Street
Concord, New Hampshire 03301

Telephone: (603) 271-3561
FAX: (603) 271-1090

KATHLEEN L. BELANGER
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JEAN M. DOBBINS
CHIEF BANK EXAMINER

FORM 397-A-2

VERIFIED APPLICATION FOR FIRST MORTGAGE BANKER AND/OR BROKER LICENSE UNDER RSA 397-A

License Year: 1996

New and Renewal Application Fees

Principal Office \$250.00 Each Branch Office \$250.00

JAN 8 1996

Make Check Payable To:
"STATE OF NEW HAMPSHIRE"

1. Check one: New Application _____ Renewal Application X _____
2. Check one or both: Banker X _____ Broker X _____

3. If broker is selected in 2. above, attach \$20,000 surety bond. Must not expire prior to license expiration 12/31 of license year.

4. Name of Applicant: Financial Resources + Assistance, Inc.
4a. If a corporation, attach a copy of Certificate of Incorporation.

5. Applicant's primary place of business: Meredith, NH
15 Northview Drive Meredith NH 03253 279-1133
(Street) (City) (State) (Zip) (Phone)

6. If applicant's primary place of business is not in New Hampshire, a New Hampshire agent must be designated:

Name of Agent: _____

Address of Agent (N.H.): _____

Telephone Number: _____

7. Contact person for actions of licensee: Name Scott Farah Title: President
Some _____
(Street) (City) (State) (Zip) (Phone)

8. Provide trade name, if applicable. Attach certificate of trade name registration issued by N.H. Secretary of State.
IF A TRADE NAME OR D/B/A IS USED IT MUST BE REGISTERED AND A COPY MUST BE ENCLOSED.

9. List all offices to be licensed (attach additional sheet, if necessary):

Street Address City State Zip Phone

NONE

10. Attach a list of the names, addresses and titles of the applicant's principal owners, officers and directors.

SCOTT FARAH

DATE RECEIVED: 1/8/96
OFFICE OF THE BANKING DEPARTMENT

17
18

11. Attach resumes or similar documents which indicate the lending and/or loan brokering experience of the applicant organization and the organization's officers and managers/senior employees. (Senior Vice President and higher)
12. Attach a list of all current lending and/or loan brokering licenses issued by any other state.
OKLAHOMA
- 13a. Has applicant, or any of its owners, directors, partners, members, officers (Sr VP & higher) or managers ever had a lending or loan brokering license revoked, suspended or denied by this or any other state?
Yes _____ No X If yes, provide details on a separate sheet.
- 13b. Has the applicant or any of its owners, directors, partners, members, officers (Sr VP & higher) or managers ever been convicted of a felony?
Yes _____ No X If "yes" furnish complete details, including dates, location, nature of crime, penalties, etc. on a separate sheet..
14. If applying for a BANKER license, or a BANKER AND BROKER license, complete the balance sheet below:

BALANCE SHEET

Statement Date 12/21/95
Audited _____ Unaudited X

Information supplied on the following balance sheet represents the assets and liabilities of (check ONE):

Corporation X Partnership _____ Individual _____ Other (specify) _____

NOTE: STATE ALL FIGURES IN THOUSANDS

<u>ASSETS</u>		<u>LIABILITIES</u>	
1) Cash on hand and in banks	<u>30,000</u>	9) Accounts payable	<u>9,000</u>
2) Notes, loans and other accounts receivable	<u>142,000</u>	10) Notes payable to banks	<u>23,000</u>
3) Merchandise and inventory at lower of cost or value	<u> </u>	11) Notes payable to others	<u> </u>
4) Real estate	<u> </u>	12) Real estate mortgages	<u> </u>
5) Machinery and equipment at cost less depreciation	<u>25,000</u>	13) Interest and taxes due and unpaid	<u> </u>
6) Marketable securities	<u> </u>	14) Other debts and liabilities	<u> </u>
7) Life insurance (face amount \$ <u>125,000</u>) cash surrender value	<u>0</u>	TOTAL LIABILITIES	<u>32,000</u>
8) Other Assets (attach schedule)	<u> </u>	15) NET WORTH	<u>165,000</u>
TOTAL ASSETS	<u>197,000</u>	TOTAL LIABILITIES AND NET WORTH	<u>197,000</u>

15. Assets and liabilities are true to the best of my knowledge and belief.

Signature _____ Title _____ Date _____

16. Provide a sample of interest rates which you currently charge, or expect to charge on December 1. The annual percentage rate should be as described in Regulation Z of the Federal Reserve Board. Assume a \$70,000 first mortgage with a loan to value ratio of 80% and a 30 year term.

	Interest Rate	Points Charged	Annual % Rate	Application Fee	Appraisal Fee	Credit Report	Other Charges
Variable Rate	<u>6.625</u>	<u>0</u>	<u>6.625</u>	<u>0</u>	<u>250</u>	<u>50</u>	<u>0</u>
Fixed Rate	<u>8.375</u>	<u>2</u>	<u>8.375</u>	<u>0</u>	<u>250</u>	<u>50</u>	<u>0</u>

(copy to put in file)

- 17. Provide index used on variable rate determination: 1 YR Tbill + 2.875
- 18. Attach a printed rate sheet, if available.
- 19. Provide a detailed narrative of your operations, including how loans are funded, name loans are closed in, correspondent lenders, etc. We are mainly a mortgage brokerage firm. 95% of our loans are closed in correspondent lenders name.

AFFIRMATION

I subscribe and affirm, under penalty of perjury, that the statements made in this application, including statements made in any accompanying papers, have been examined by me and to the best of my knowledge and belief are true, correct and complete, and that I am duly authorized to execute this affirmation.

Date: 12/22/95

Financial Resources Inc.

By [Redacted]
Title President

State of NH
County of Belknap) SS.

Personally appeared the above named applicant Financial Resources Inc
by Scott Farah its President
(Name) (Title)

hereunto duly authorized, and acknowledged under penalty of perjury the foregoing statements by him/her subscribed to be true.

Dated at Norridgeworth NH before me, [Redacted]
Justice of the Peace/Notary Public

this 22nd day of December 19 95

MAUREEN E. GLENNON, Notary Public
My Commission Expires September 8, 1999

My Commission expires _____

Bank Commissioner may take up to 120 days to approve or deny an application. Application fees are non-refundable.

-OFFICE USE ONLY-

Date Received _____ Date returned as incomplete _____ Date Accepted _____
 Check No. 15247 Amount \$ 750.00 Date of Lic. Rev. Comm. Mtg. _____
 Approved 151 Denied _____
 Date of Issue 1-22-96 License No. 2503 (Banker) _____ (Broker) _____
 Date Denial Notice _____ Reasons for Denial _____

SCOTT D. FARAH
President
FINANCIAL RESOURCES, INC.
15 Northview Drive
Meredith, NH 03253

EDUCATION

Chartered Financial Consultant 1994
Chartered Life Underwriter 1990
Certificate in Life Insurance Planning 1989
Certificate in Financial Planning 1988
[REDACTED]
Estate Planning Training Course 1988
Financial Products Training Course 1987
[REDACTED]
Financial Planning Skills 1987
The Life Underwriter Training Council LUTC
District of Columbia, City of Washington

Double Major
B.S. in Business Administration Cum laude 1985
B.S. in American History Cum laude 1985
[REDACTED]

Masters in Financial Sciences (in progress)
[REDACTED]

EMPLOYMENT HISTORY

President
Financial Resources, Inc.
15 Northview Drive
Meredith, NH 03253
April 1989 - Present

Financial Planner
D.E. Dodge & Associates
14 Country Club Road
Laconia, NH 03246
June 1986 - April 1989

Financial Planner

[REDACTED]
June 1985 - June 1986

OUTSIDE ACTIVITIES

Chairman of Finance Committee
Center Harbor Christian Church
Center Harbor, NH 03309

~~Adult Bible Class Teacher~~
Center Harbor Christian Church
Center Harbor, NH