



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-2

VERIFIED APPLICATION FOR FIRST MORTGAGE BANKER AND/OR BROKER LICENSE

License Year: 1997

PAID
CK. NO. 0017902 54-182/111
DATE 12/31/96 \$350.00

New and Renewal Application Fees

Principal office \$250.00 Each Branch Office \$250.00

RECEIVED
DEC 30 1996
BANKING DEPT

Make Check Payable To:
"STATE OF NEW HAMPSHIRE"

Fully complete all items. Incomplete applications will NOT be processed. Clearly number all attachments to correspond to the question for which the attachment provides a response. Ensure all forms are properly signed and notarized. Applications filed without payment will not be processed.

APPLICATION STATUS

1. Check one: New Application Renewal Application (1996 License # (s) 2503MB)

LICENSE TYPE AND BONDING

2. Check one or both: Banker Broker

2a. If "banker" is checked in 2. above, are you requesting authorization to issue Rate Lock Commitments? NO
(if "yes", complete items 26 & 27 on page 5)

2b. If "broker" is selected in 2. above, attach original \$20,000 surety bond or original continuation certificate. Provide expiration date of bond 12/31/97 (Must not expire prior to 12/31/97) Provide name and telephone number of insurance agent: Rowley Agency, Inc (603) 224-2562

Bond has been applied for - will forward copy upon receipt.

NAME AND LEGAL STATUS OF APPLICANT

3. Applicant is a: (check one) Corporation Individual Partnership
Association Other

3a. Name of Applicant: Financial Resources & Assistance, Inc

3b. Applicant's federal tax ID number 02-0433840

3c. If a corporation, provide date and state of incorporation, and attach a copy of Certificate of Incorporation.
State: NH Date: 5/18/89

3d. If corporation is not a NH corporation, attach a copy of certificate of registration as a foreign corporation issued by the NH Secretary of State.

4. Will applicant do business under a trade name? NO If "yes", provide trade name and attach copy of trade name registration issued by NH Secretary of State.

Trade Name: _____

PRINCIPAL PLACE OF BUSINESS AND BRANCH LOCATIONS

5. Applicant's principal place of business (MUST be licensed - \$250 license fee must be enclosed) :

<u>15 Northview Drive</u>	<u>Meredith</u>	<u>NH</u>	<u>03253</u>
(Street Address)	(City)	(State)	(Zip)
<u>POB 1158</u>			
(Mailing Address)	(City)	(State)	(Zip)
<u>(603)279-1133</u>	<u>279-5912</u>		
(Telephone)	(Fax)		

6. Branch Offices:

ALL NH offices must be licensed (enclose \$250.00 fee for each NH office). If no NH offices, list all out-of-state locations where NH loans are processed, underwritten and/or serviced (enclose \$250.00 fee for each listed out-of-state location). Provide street and mailing addresses, name of manager and direct telephone number for each listed location. (Attach a separate sheet if necessary)

NONE

7. If applicant's principal place of business is NOT in New Hampshire, a New Hampshire agent must be designated:

Name of Agent: NA Telephone: _____

Street Address of Agent (N.H.): _____

Mailing Address of Agent: _____

MANAGEMENT

8. President, Chief Executive Officer or Senior Partner of Applicant:

Name Scott D. Farah Title: President
Business Address: Same (Street) (City) (State) (Zip) Same (Direct Line Telephone)

9. Attach a list of the names, business and residence addresses and titles of the applicant's principal shareholders (10% or more), senior officers and directors of a corporate applicant; the general partners of a general partnership; the general and limited partners of a limited partnership; the members of a limited liability company; or the trustees of a business trust.
10. 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)

EXPERIENCE AND PAST CONDUCT

11. Attach a list of all current lending and/or loan brokering licenses issued by any other state. Provide name of state, license type, license number and expiration date for each license held. OKLAHOMA
12. 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, or been the subject of any formal disciplinary proceeding? Yes _____ No If yes, provide details on a separate sheet.
13. 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 If "yes" furnish complete details, including dates, location, docket number, nature of crime, penalties, etc. on a separate sheet.

FINANCIAL CONDITION

14. Financial Statements: Mortgage banker applicants must demonstrate a minimum net worth of \$100,000 in cash and marketable securities. Mortgage banker AND mortgage broker applicants must submit the following:
- 14a. Attach a copy of a compiled set of financial statements prepared by a public accountant, certified public accountant or applicant's financial officer, that include, at a minimum, a balance sheet, statement of cash flow and income statement as of most recent quarter end. Statements prepared by an applicant's financial officer must be signed by the preparer and notarized. Individuals, sole proprietors, partnerships, limited liability companies and closely held corporations (less than 20 shareholders) must attach copies of most recent federal income tax returns.
- 14b. Publicly traded corporations and wholly owned subsidiaries of publicly traded corporations may submit copies of their most recent Securities and Exchange Commission 10K and 10Q forms, or those of their parent corporation, in lieu of financial statements required by 14a. above.

LOAN PRODUCTS

15. Provide a sample of interest rates and fees which the applicant currently charges, or expects to charge on December 1. The annual percentage rate should be as described in Regulation Z of the Federal Reserve Board. Assume a \$100,000 first mortgage with a loan to value ratio of 90% and a 30 year term.

	Interest Rate	Points Charged	Annual % Rate	Application Fee	Appraisal Fee	Credit Report	Other Charges*
Variable Rate	<u>6.5</u>	<u>0</u>	<u>6.5</u>	<u>0</u>	<u>250</u>	<u>50</u>	<u>0</u>
Fixed Rate	<u>8.25</u>	<u>0</u>	<u>8.25</u>	<u>0</u>	<u>250</u>	<u>50</u>	<u>0</u>

*Itemize "Other Charges" on a separate sheet. Indicate purpose and dollar amount of each item listed.

16. Provide index used on variable rate determination: 1 YR T Bill
17. Provide margin on variable rate loans for "A" credit borrowers: 2.875
18. Indicate the percentage of loans made that are:
 "A" credit 30 % "B" credit 30 % "C" credit 30 % "D" credit and lower 10 %
19. Does the applicant offer any loan products that feature "balloon" payment provisions? YES

OPERATIONS

20. Attach a detailed narrative description of your operations, including but not limited to, (1) how loans are funded, (2) name(s) loans are closed in, (3) if a broker, a list of all correspondent lenders, (4) applicant's target market/client base, (5) wholesale lending activities, (6) Fannie Mae, Freddie Mac and/or Ginny Mae approvals, if applicable, (7) policies and procedures for processing applications, underwriting and funding, servicing and discharging of mortgage loans.
21. Does the applicant close loans with its own funds or are loans "table-funded"? NO
22. List all offices of applicant where loan applications relating to NH real estate are processed. Give both street and mailing addresses: (Attach additional sheet if necessary)
Meredith
23. List all offices of applicant where loan applications relating to NH real estate are underwritten. Give both street and mailing addresses: (Attach additional sheet if necessary)
Meredith
24. List all offices of applicant where loans secured by NH real estate are serviced. Give both street and mailing addresses. (Attach additional sheet if necessary)
NA

25. If loans secured by NH real estate are serviced by third parties, provide for each third party servicer (1) the name of the servicer, (2) the servicer's mailing and street address, (3) the servicer's telephone number and (4) the name and title of a senior officer: (Attach additional sheet if necessary)

NA

DO NOT COMPLETE ITEMS 26 AND 27 UNLESS YOU ARE APPLYING AS A MORTGAGE BANKER AND ARE REQUESTING AUTHORIZATION TO ISSUE RATE LOCK COMMITMENTS

RATE LOCK COMMITMENTS

26. Attach copies of Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") and/or Government National Mortgage Association ("GNMA") approvals. NA

27. Attach copy of audited financial statement demonstrating \$500,000 net worth in cash and marketable securities. NA

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: 12/27/96

Financial Resources, Inc
(Applicant)

By

Title



President

State of NH
County of Belknap SS.

Personally appeared the above named applicant Scott O'Farrell

by _____, 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 Meredith NH before me, _____
Justice of the Peace/Notary Public

this 27th day of December 19 96

MAUREEN E. GLENNON, Notary Public
My Commission Expires September 2, 1999

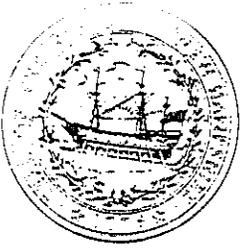
My Commission expires _____

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

Forms NHBD-5 (Authorization Release Form), NHBD-6 (Personal Disclosure Statement) and NHBD-7 (Personal Financial Statement), must be fully completed and filed with this application. (Publicly traded corporations may file most recent SEC 10K and 10Q in lieu of Forms NHBD-5, NHBD-6 and NHBD-7)

©OFFICE USE ONLY©

Date Received 12-30-96 Date Notified Incomplete _____ Date Complete _____
Check No. 17972 Amount \$ 250.00
Approved _____ Denied _____
Date of Issue 1-3-97 License No. 2503 (Banker) (Broker) Rate Lock Approv? _____
Refund? _____ Date _____ Amt. _____ Reason _____



State of New Hampshire

Banking Department

169 Manchester Street
Concord, New Hampshire 03301

Telephone: (603) 271-3561
FAX: (603) 271-1990

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

RSA 397-A First Mortgage Broker Surety Bond

Bond Number 30512890

FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES, of 15 Northview Drive, Meredith, NH 03253
REGION, INC. (Name of Licensee) (Principal Business Address)

a Corporation, established under and by virtue of
(Corporation, Individual, Partnership, etc.)

the laws of the State of New Hampshire as principal,

and FIDELITY AND DEPOSIT COMPANY OF MARYLAND
(Name and Address of Surety Company)

as surety, are bound to the State of New Hampshire and people of the State of New Hampshire for the term beginning at 12:00 A.M. on the 31st day of December, 19 96 and ending the 31st of December, 19 97 in the sum of Twenty Thousand Dollars, to be paid to the State of New Hampshire after due notice and hearing in accordance with the provisions of Chapter 541-A of the New Hampshire Revised Statutes Annotated, or to any person or persons who may have obtained final judgment from a court of competent jurisdiction in a cause of action against said principal under the provisions of Chapters 397-A, 358-K, 399-B, 399-C or 399-E New Hampshire Revised Statutes Annotated or common law.

The Condition of this surety bond is such that if the above FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES REGION, INC.
(Name of Principal/Licensee)
of 15 Northview Drive, Meredith, NH 03253 who is or may be licensed to engage in a first mortgage
(Principal Business Address)

business who is or may be licensed to engage in a first mortgage broker business under the provisions of Chapter 397-A of the New Hampshire Revised Statutes Annotated, shall conform to and abide by each and every provision of said law and to each and every provision of Chapters 358-K, 399-B, 399-C and 399-E of the New Hampshire Revised Statutes Annotated, shall pay to the State of New Hampshire after due notice and hearing in accordance with the provisions of Chapter 541-A of the New Hampshire Revised Statutes Annotated, and to any person or persons who may have obtained final judgment naming said principal from a court of competent jurisdiction, any and all moneys that may become due or owing to the State of New Hampshire and to such person or persons from the principal hereunder, under and by virtue of the provisions of the laws previously enumerated herein, then this obligation shall be void; otherwise it shall remain in full force and effect.

The Surety hereunder hereby agrees to provide written notification of the cancellation of this bond to the Bank Commissioner of the State of New Hampshire no later than 10 days prior to such cancellation.

Dated: December 31, 1996

FINANCIAL RESORUCES & ASSISTANCE OF THE
LAKES REGION, INC.

(Name of Licensee)

[Redacted]

Witness

By:

[Redacted]

(Signature)

Title: Scott D. Farah, President

[Redacted]

Witness

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

(Signature)

Attorney in fact:

[Redacted]

Paula J. Cantara, Attorney-in-fact

Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

HOME OFFICE, BALTIMORE, MD

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by C. M. PECOT, JR., Vice-President, and C. W. ROBBINS Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint Daniel E. Church, Paula J. Cantara, Bruce H. Langley, William Ver Planck, John P. Hughes, John M. Harbottle and John P. Timmeny, all of Concord, New Hampshire, EACH..... its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, and as its act and deed: any and all bonds and undertakings.....

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Daniel E. Church, et al., dated, January 30, 1992.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 7th day of April, A.D. 1992

ATTEST:



FIDELITY AND DEPOSIT COMPANY OF MARYLAND

[Redacted Signature] Assistant Secretary

By

[Redacted Signature] Vice-President

STATE OF MARYLAND
CITY OF BALTIMORE ss:

On this 7th day of April, A.D. 1992, before the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore, duly commissioned and qualified, came the above-named Vice-President and Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Baltimore, the day and year first above written.



CAROL J. FADER

[Redacted Signature] Notary Public Commission Expires August 1, 1992

CERTIFICATE

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 16th day of July, 1969.

RESOLVED: "That the facsimile or mechanically reproduced signature of any Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company, this 31st day of December, 1996

040-0850

[Redacted Signature] Assistant Secretary

EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages. . . . and to affix the seal of the Company thereto."

Financials

Fidelity and Deposit Company

HOME OFFICE OF MARYLAND BALTIMORE, MD. 21203

Application for Miscellaneous Bonds
FOR JUDICIAL AND MISCELLANEOUS SURETY DEPARTMENT

(Do Not Use for Construction or Court Bonds)

Name of Applicant: Financial Resources & Assistance of the Lakes Region, Inc.

(If Applicant is a Partnership, give Names of All Partners, if a Corporation, give Names of All Officers)

Address: 15 Northview Drive, Meredith, NH 03253 Principal Office

Amount of bond required, \$ 20,000 Effective from December 31, 1996

Bond required by: State of New Hampshire, Banking Department

Address: Concord, NH

State below fully the nature of the guarantee required, and transmit copies of all agreements or important papers pertinent to the bond applied for, as same will facilitate action on this application.

1st Mortgage Broker Bond

STATEMENT OF ASSETS AND LIABILITIES—Agents must have applicant show date of statement and complete it in detail, otherwise will be returned. In lieu thereof a signed and dated statement of assets and liabilities of the applicant may be attached hereto.

STATEMENT OF ASSETS

CURRENT ASSETS

Cash in <u>[redacted]</u>	<u>30,000.00</u>
“(Name and Location of Bank)”	
“(Name and Location of Bank)”	
Cash on hand	
Stocks, Bonds, etc., market value (Attach list)	
Accounts Receivable:	
Less than 30 days old \$ <u>38,000</u>	
30-60 days old \$ <u>40,000</u>	
Over 60 days old \$ <u>50,000</u>	<u>128,000.00</u>
TOTAL ACCOUNTS RECEIVABLE	
Stock of Supplies, Inventory (State nature and amt.)	
Total (current)	

FIXED ASSETS

Notes Receivable	<u>200,000.00</u>
Real Estate (Give location and description, and appraised value of each parcel)	
1. \$	
2. \$	
3. \$	
4. \$	
TOTAL VALUE OF REAL ESTATE	
In whose name is title? 1. 2.	
3. 4.	
Equipment at book value	
Other assets consisting of	
TOTAL ASSETS	<u>328,000.00</u>

CURRENT LIABILITIES

Notes Payable—to banks and others	
1 To <u>[redacted]</u> \$ <u>45,000</u> due <u>3/30/97</u>	
2 To \$ due	
3 To \$ due	
TOTAL NOTES PAYABLE	
How secured? 1. <u>Unsecured</u>	
2. 3.	
Borrowed or due on stocks and bonds	
Accounts Payable:	
Not past due \$ <u>5,300.00</u>	
Past due \$	<u>50,300.00</u>
TOTAL ACCOUNTS PAYABLE	
Income Taxes—Unpaid Balances and Reserves	
All Other Taxes and Accruals	
Total (current)	<u>50,300.00</u>

FIXED LIABILITIES

Borrowed or due on Real Estate (Give name of mortgage holder and amount of mortgage on each parcel)	
1. \$	
2. \$	
3. \$	
4. \$	
TOTAL AMOUNT OF MORTGAGES	
Mortgage(s) on equipment	
Other liabilities consisting of	
Capital stock	
Surplus and Undivided Profits	
Net Worth (if individual or partnership)	
TOTAL LIABILITIES	<u>50,300.00</u>

It is hereby agreed that any person, firm or corporation, and any financial institution may confirm any inquiry made by the Company or its representatives as to any statement made herein relative to moneys on deposit or borrowed money.

State lines of business in which you are engaged and give particulars. mortgage broker

Give particulars of any law suits, judgments or liens pending against you. none

Amount of liability as endorser or surety for others \$ none

Have you ever failed in business? no

Have you arranged a bank loan for the purpose of handling this proposition? no

If so, state (Name of Bank) (Amount of Loan)

Do you carry Fidelity Bonds on your employees who handle funds? NA (Date it Must be Renewed) (Security Given Bank for Repayment)

Give particulars in separate schedule as to any other Surety Bonds outstanding on your behalf as principal.

Give below the names and addresses of persons or corporations acquainted with you in a business way

NAME	BUSINESS	CITY AND STREET ADDRESS

The undersigned does or do hereby represent that the statements made herein as an inducement to the Fidelity and Deposit Company of Maryland, its successors and assigns, (hereinafter called Company) to execute the bond applied for herein, are true, and, should the Company execute said bond, does or do hereby agree as follows: FIRST, to pay to the Company in advance for the bond applied for herein an initial premium charge of \$ 200.00 based on the Company's rates in force as of the effective date of the said bond and to pay any renewal or additional premiums which are provided for in said rates until the Company shall be discharged and released from all liability and satisfactory written evidence of such discharge is delivered to the Company at its Home Office in Baltimore, Maryland; SECOND, to indemnify the Company against all loss, costs, damages, expenses and attorneys' fees whatever, and any and all liability therefor, which the Company may sustain or incur by reason of executing said bond, in making any investigation on account thereof, in prosecuting or defending any action which may be brought in connection therewith, in obtaining a release therefrom, and in enforcing any of the agreements in any of the paragraphs herein contained. Payment of any such amounts shall be made to the Company by the undersigned as soon as the Company shall be liable therefor, whether or not it shall have paid out any portion thereof; THIRD, that the Company shall have the right, and is hereby authorized, but not required; (a) to adjust, settle or compromise any claim, demand, suit or judgment upon said bond, unless the undersigned shall request the Company to litigate such claim or demand or defend such suit or to appeal from such judgment, and shall deposit with the Company collateral satisfactory to it in kind and amount; (b) to assent to any change whatsoever in said bond and/or any contract or contracts referred to in said bond and/or in the general conditions, plans and/or specifications accompanying said contract or contracts and to assent to or take any assignment or assignments, to execute or consent to the execution of any continuations, extensions or renewals of said bond and to execute any substitute or substitutes therefor, with the same or different conditions, provisions and obligations and with the same or larger or smaller penalties, all of the aforesaid without notice to or knowledge of the undersigned, it being hereby agreed that this instrument shall in all its terms apply accordingly even though the resultant liability thereof is cumulative; and (c) to fill up any blank or blanks left herein, and to correct any errors in filling up any such blank or blanks, it being hereby agreed that any such insertion or correction shall be prima facie correct; FOURTH, that if said bond be a contract bond guaranteeing performance of a contract to furnish supplies, to assign, transfer and set over, and does or do hereby assign, transfer and set over to the Company, as collateral, to secure the obligations herein, such assignment to become effective as of the date of the said bond but only in event of (1) any abandonment, forfeiture or breach of said contract or of any breach of said bond or (2) of any assignment by the undersigned for the benefit of creditors, or of the appointment, or of any application for the appointment, of a receiver or trustee for the undersigned, whether insolvent or not; (a) all the right, title and interest of the undersigned in and to all machinery, equipment, plant, tools and materials which are now, or may hereafter be, about or upon the premises where the supplies covered by said bond are being manufactured or assembled, including as well materials purchased for or chargeable to such contract, which may be in process of construction, or stored elsewhere, or in transportation to said premises, with full right and power in the Company to enter upon said premises and to use said machinery, equipment, plant, tools and materials in completing the work provided for in said contract without any liability on the part of the Company to pay rent or other compensation therefor; and (b) any and all percentages retained on account of said contract, and any and all sums that may be due under said contract at the time of such abandonment, forfeiture or breach, or that thereafter may become due; FIFTH, that in event of payment, settlement or compromise, in good faith, of liability, loss, costs, damages, attorneys' fees and expenses, claims, demands, suits and judgments as aforesaid, an itemized statement thereof, sworn to by any officer of the Company, or the voucher or vouchers or other evidence of such payment, settlement or compromise shall be prima facie evidence of the fact and extent of the liability of the undersigned in any claim or suit hereunder; SIXTH, to waive, and does or do hereby waive, all right to claim any property, including homestead, as exempt from levy, execution, sale or other legal process under the law of any state or states; SEVENTH, that the Company shall have the absolute right to cancel said bond in accordance with any cancellation provision therein contained, or to procure its release from said bond under any law for the release of sureties, and the Company is hereby released from any damages that may be sustained by the undersigned by reason of such cancellation or release; EIGHTH, that this obligation shall be for the benefit of any person or company that may join with the Company in executing said bond, or that may, at the request of the Company, execute said bond, and also for the benefit of any company or companies that may assume reinsurance upon said bond; NINTH, that separate suits may be brought to recover hereunder as causes of action shall accrue, and the bringing of suit or the recovery of judgment upon any cause of action shall not prejudice or bar the bringing of other suits upon other causes of action, whether theretofore or thereafter arising; TENTH, that nothing herein contained shall be construed to waive or abridge any right or remedy which the Company might have if this instrument were not executed; and ELEVENTH, that this agreement shall be binding upon the undersigned and each of them whether signing as applicant for said bond or as indemnitor, jointly and severally, and upon the respective heirs, executors, administrators, successors and assigns of the undersigned, and shall be liberally construed as against the undersigned; TWELFTH, that the Company shall have the right to decline to execute said bond, and that if said bond shall be a bid or proposal bond and the Company shall execute the same, the Company shall have the right to decline to execute any or all other bonds that may be required in connection with any award that may be made under the proposal for which the bid or proposal bond is given; THIRTEENTH, that the undersigned shall continue to remain bound under the terms of this instrument on account of said bond even though the Company may from time to time hereafter, with or without notice to or knowledge of the undersigned, accept other or additional agreements of indemnity on similar or other forms to indemnify it in connection with the execution or procurement of said bond, it being hereby expressly understood and agreed by the undersigned that any and all other rights which the Company may have or acquire against the undersigned and/or others under any such other or additional agreements of indemnity shall be in addition to, and not in lieu of, the rights afforded the Company under this instrument.

↓ Signed, sealed and dated this 12th day of December, 1996.

IF INDIVIDUAL sign here:

Witness: _____ (SEAL)

IF CO-PARTNERSHIP, co-partnership and all co-partners sign here:

_____ (Name of co-partnership) (SEAL)

Witness: _____ (SEAL)

_____ (Individually and as a co-partner) (SEAL)

Witness: _____ (SEAL)

_____ (Individually and as a co-partner) (SEAL)

Witness: _____ (SEAL)

_____ (Individually and as a co-partner) (SEAL)

IF CORPORATION, imprint corporate seal and sign here:

Attest: _____ FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES REGION (SEAL)

By: _____ (Name of corporation)

ADDITIONAL INDEMNITY Scott D. Farah, President

In consideration of the Fidelity and Deposit Company of Maryland, its successors and assigns, executing, or procuring the execution of, or refraining from presently exercising its right to cancel, the bond herein applied for, we jointly and severally join in the foregoing agreement; and the undersigned, if a corporation, warrants that it is financially interested in the performance of the obligation which said bond applied for is given to secure, and asserts that it is fully empowered to obligate itself hereby.

✓ Signed, sealed and dated this 12th day of December, 1996.

Witness: _____

By: Scott D. Farah, Individually (SEAL)

_____ (Indemnitor) (SEAL)

Witness: _____

By: _____ (Indemnitor) (SEAL)

_____ (Indemnitor) (SEAL)

Witness: _____

By: _____ (Indemnitor) (SEAL)

_____ (Indemnitor) (SEAL)

Must be acknowledged before Notary Public by Indemnitor(s).

STATE OF New Hampshire ss:

COUNTY OF Belknap

On this 12th day of December, 1996, before me personally appeared _____

to me known to be the person(s) or member(s) of the partnership or officer(s) of the corporation that signed the foregoing instrument and acknowledged the execution of the same to me.

(Notary Public) (SEAL)

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

If Indemnitor is a corporation, a certified copy of resolution of Board of Directors authorizing officers to execute agreement must accompany this application.

ROBERT 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

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

State of New Hampshire
Department of State

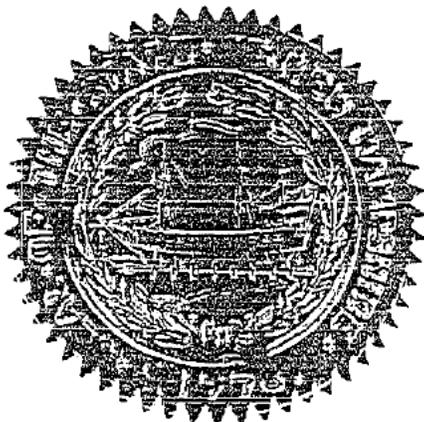
CERTIFICATE OF INCORPORATION

OF

FINANCIAL RESOURCES & ASSISTANCE OF THE
LAKES REGION, INC.

The undersigned, as Deputy Secretary of State of the State of New Hampshire, hereby certifies that duplicate originals of Articles of Incorporation for the incorporation of FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES REGION, INC., duly signed pursuant to the provisions of the New Hampshire Business Corporation Act, have been received in this office.

ACCORDINGLY the undersigned, as such Deputy Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation of FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES REGION, INC. and attaches hereto a duplicate original of the Articles of Incorporation.



IN TESTIMONY WHEREOF, I hereto
set my hand and cause to be
affixed the Seal of the State
of New Hampshire this 18th
day of May, 1989


Robert P. Ambrose
Deputy Secretary of State

Date of Issue: January 3, 1997

License No. 2503-MB

State of New Hampshire



*Office of the Bank Commissioner
169 Manchester Street
Concord, New Hampshire 03301*

This is to certify that a license to engage in business as a

FIRST MORTGAGE BANKER AND BROKER

is hereby issued to: FINANCIAL RESOURCES AND ASSISTANCE, INC

at: 15 NORTHVIEW DRIVE
MEREDITH, NH 03253

Type: PRINCIPAL OFFICE

in accordance with and subject to the provisions of New Hampshire Revised Statutes Annotated Chapter 397-A, as amended and any regulations promulgated thereunder.

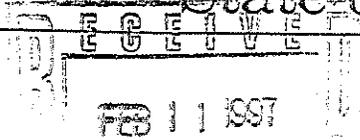
This license expires December 31, 1997, unless sooner suspended, revoked or surrendered.

A. Roland Roberge
Bank Commissioner

This license is not assignable or transferable, and must be conspicuously displayed at the address indicated above, or if no New Hampshire location, at the office of the licensee's New Hampshire agent.



State of New Hampshire



Banking Department

169 Manchester Street
Concord, New Hampshire 03301

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

BANKING DEPT

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

KATHLEEN L. BELANGER
ADMINISTRATOR, REGULATION & LICENSING
RAYMOND A. HEROUX
CONSUMER CREDIT ADMINISTRATOR

Enclosed is your 1997 license.
Please complete this form and return it
to Linda Austin at the above address.

=====

LICENSING

Licensee Name: Financial Resources, Inc.

License #: 2503-MB

License Type: Banker/Broker

Contact Person: Scott Farah Title: President

Direct Mailing Address: POB 1158
Meredith, NH 03253

Direct Telephone No.: 279-1133

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ANNUAL REPORT FILING

Contact Person: Scott Farah Title: President

Direct Mailing Address: Same

Direct Telephone No.: Same

=====

CONSUMER INQUIRIES

Contact Person: Scott Farah Title: Same

Direct Mailing Address: Same

Direct Telephone No.: Same