



State of New Hampshire

RECEIVED Banking Department

DEC 23 1997

169 Manchester Street
Concord, New Hampshire 03301

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

BANKING DEPT.

FORM 398-A-2

APPLICATION FOR SECOND MORTGAGE HOME LOAN LENDING LICENSE

License Year: 1998

New and Renewal Application Fees

Principal Office \$250.00 Each Branch Office \$250.00

Make Check Payable To:
"STATE OF NEW HAMPSHIRE"

FOR OFFICE USE ONLY

Ck. # 30233
Amt. \$ 250.00
Lic. 1
Init's. [REDACTED]
Date 12/23/97



INSTRUCTIONS : 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. Provide company name and, if applicable, 1997 license number on all attachments. Ensure all forms are properly signed and notarized. Applications filed without payment will not be processed.

APPLICATION STATUS

Amended 1997
[Signature]

1. Check one: New Application _____
 Renewal Application ✓ (1997 License # 3050-97-M#HL)

NAME AND IDENTIFICATION OF APPLICANT

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

2a. 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 _____

2b. Applicant's federal tax ID number 02-0433840

PRINCIPAL PLACE OF BUSINESS AND BRANCH LOCATIONS

3a. Applicant's principal place of business (Corporate headquarters MUST be licensed - \$250 license fee must be enclosed) :

15 Northview Drive Meredith NH 03253
(Street Address) (City) (State) (Zip)

PO Box 1158 Same _____ _____
(Mailing Address) (City) (State) (Zip)

(603) 279-1133 (603) 279-5912
(Telephone) (Fax)

3b. Other Offices:

ALL offices from which New Hampshire loans are made must be licensed (enclose \$250.00 fee for each office). Provide street and mailing addresses, name of manager, direct telephone number and fax number for each listed location. (Attach a separate sheet if necessary)

Address Manager Telephone Fax

EXECUTIVE OFFICER

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

Name Scott D. Garah Title: President

Business Address: Same as above
(Street) (City) (State) (Zip) (Direct Line Telephone)

Mailing Address: _____
(Street) (City) (State) (Zip) (E-Mail Address)

WORLD WIDE WEB ADDRESS

5. Provide applicant's World Wide Web address, if applicable. If no world wide web address, indicate by stating "N/A", "None", "Not Applicable" or similar statement

http://www. cyberportal.net/ara

BONDING

6. If "broker" or "banker and broker" is selected in item 2. on page 1, attach original \$20,000 surety bond or original continuation certificate. Provide expiration date of bond 12/31/98 (Must not expire prior to 12/31/98) Provide name and telephone number of insurance agent:

Rowley Agency, Inc (Name) (603) 224-2562 (Telephone)

APPLICANT'S LEGAL STATUS

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

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

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.

N.H. AGENT

8. 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: _____

OWNERSHIP AND MANAGEMENT

9. Attach a list of the names, business and residence addresses and titles of the applicant's principal shareholders (10% or more), senior officers (senior vice presidents and higher) 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. Scott D. Farah, bus address same as company, Residence [redacted] President 100% owner
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 senior employees (senior vice president and higher). Publicly traded corporate applicants, or the subsidiaries of publicly traded corporations, need not submit resumes.

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 Mtg Brokers license #MB116 expires 12/31/2000
North Carolina (See attached)

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 full 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:** Applicants must demonstrate that \$25,000 is available for use at each location to be licensed, or that \$25,000 has been invested in second mortgage loans at each location to be licensed. Applicants must submit the following:
- a. 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.
- b. Publicly traded corporations and wholly owned subsidiaries of publicly traded corporations may submit copies of their or their parent corporation's most recent Securities and Exchange Commission 10K and 10Q forms, in lieu of financial statements required by paragraph a. above.

MARKET

15. Indicate the percentage of loans made to borrowers that have:
- "A" credit (excellent credit, very little risk of default) 10 %
- "B" credit (good credit, low risk of default) 35 %
- "C" credit (fair credit, moderate risk of default) 35 %
- "D" credit and lower (poor credit, high risk of default) 10 %

16. Does the applicant offer any loan products that feature "balloon" payment provisions? Yes _____ No

OPERATIONS

17. 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.
18. Does the applicant close loans with its own funds or are loans "table-funded"? own funds

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: 12/22/97

Financial Resources Assistance
(Applicant)

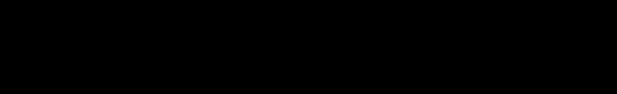
By 

Title President

State of NC
County of Belknap) SS.

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

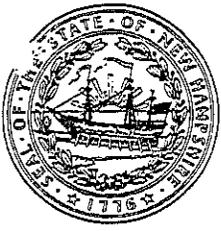
hereunto duly authorized, and acknowledged that the foregoing statements by him/her subscribed to be true.

Dated at Wendell, NC before me, 
Justice of the Peace/Notary Public

this 22nd day of December 19 97.

My Commission expires September 8, 1999
WALTER E. CLAWSON, Notary Public
My Commission Expires September 8, 1999

**Applications must be received by the Banking Department by DECEMBER 1, 1997.
The Bank Commissioner may take up to 120 days to approve or deny an application.
Application fees are NON-REFUNDABLE.**



State of New Hampshire

Banking Department

169 Manchester Street
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PERSONAL FINANCIAL and BACKGROUND DISCLOSURE STATEMENT NON-DEPOSITORY LENDER

TO BE COMPLETED BY EACH PRINCIPAL/OWNER OF 10% OR MORE OF THE APPLICANT, AND EACH PARTNER, DIRECTOR AND/OR TRUSTEE.

THIS FORM IS REQUIRED OF ALL NEW APPLICANTS

THIS FORM IS NOT REQUIRED IF SUBMITTED IN CONNECTION WITH A RENEWAL APPLICATION AND [1] NO CHANGE IN OWNERS, PARTNERS, TRUSTEES AND/OR DIRECTORS HAS OCCURED SINCE 1997 LICENSE WAS ISSUED, AND [2] A SWORN STATEMENT TO THIS EFFECT [SEE ITEM #14 ON PAGE 5 OF THIS FORM] HAS BEEN SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE APPLICANT.

If no changes since last application, check here and complete Item 14.

PUBLICLY TRADED COMPANIES AND WHOLLY OWNED SUBSIDIARIES OF PUBLICLY TRADED COMPANIES MAY SUBMIT THE COMPANY'S OR THE PARENT COMPANY'S MOST RECENT SEC 10K & 10Q IN LIEU OF THIS FORM

INSTRUCTIONS: Print or type all information. Complete all items. Attach additional sheets as necessary or indicated. This form may be duplicated if additional copies are required.

Date _____

1. IDENTIFYING INFORMATION:

Name _____

Home address: (do not use P.O. Box address)

Street _____ Apt. _____

City _____ State _____ Zip Code _____

Other names by which you have ever been known:

Date of Birth ____/____/____ Social Security # _____

Place of Birth _____
(City) (State)

Drivers License # _____ State _____

2. APPLICANT INFORMATION:

Submitted in connection with application filed by:

(Applicant)

License Type: (Check all that apply) 1st Mortgage Banker _____ 2nd Mortgage Banker _____

Sales Finance Co. _____ Small Loan _____ Debt Adjuster _____

3. EDUCATION:

Indicate last level attended: _____

Name and address of last institution attended:

Degrees Received and Dates: _____

List other relevant education on a separate sheet.

4. PERSONAL BALANCE SHEET:

ASSETS

LIABILITIES

A) Cash on hand and in banks \$ _____

D) Accounts payable \$ _____

B) Notes, loans and other accounts receivable considered good and collectible \$ _____

J) Notes payable to banks \$ _____

C) Marketable securities \$ _____

K) Notes payable to others \$ _____

D) Real Estate \$ _____

L) Real Estate Mortgages \$ _____

E) Automobiles \$ _____

M) Interest and taxes due and unpaid \$ _____

F) Net worth of business (Attach financial statement) \$ _____

N) Other debts & liabilities \$ _____

G) Life insurance cash surrender value \$ _____

TOTAL LIABILITIES \$ _____

H) Other assets \$ _____

TOTAL ASSETS \$ _____

TOTAL NET WORTH \$ _____

Notes, accounts receivable, mortgages and other assets considered doubtful, and not included in above financial statement have an estimated value of \$ _____.

5. INVESTMENT IN APPLICANT:

A. Amount to be invested, or currently invested, in the business is \$ _____, which will represent _____ % of the business.

B. Does any amount stated in item 5-A. above represent a loan from you to the license applicant?
 ____ Yes ____ No If Yes, attach copy of promissory note.

C. Investment set forth in item 5-A. above will be, or has been, financed in the following manner:

6. FINANCIAL HISTORY:

Have you been an owner of 10% or more of any business entity that has filed for bankruptcy protection? _____

If yes, supply particulars: _____

7. CONTINGENT LIABILITIES:

In addition to the debts and liabilities listed above, I have endorsed, guaranteed, or am otherwise indirectly or contingently liable for the debts of others as follows:

Name & Address of Debtor/Obligor	Name & Address of Creditor/Obligee	Description of Collateral	Value of Collateral	Date Obligation Incurred and Due	Current Amount
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

8. STATEMENT OF INCOME:

	Current Year
Salaries, wages and commissions from employment	\$ _____
Income from dividends and interest	\$ _____
Net income from rents, royalties and investments	\$ _____
Other income	\$ _____
TOTAL INCOME	\$ _____
EXPENSES	\$ _____
NET INCOME	\$ _____

9. EMPLOYMENT:

Attach a separate sheet listing your work history, beginning with your current employment, and all businesses with which you have been involved, and/or all periods of unemployment for the last 10 years. Include all corporations, partnerships or any other business ventures in which you had an investment or interest of 10% or more, or with which you have been associated as an officer, director, or capacity influencing policy or management. Also include dates of association, job title, name and address of the business/employer, description of your duties/responsibilities, name of immediate supervisor and reasons for leaving.

10. LENDING HISTORY:

A. Have you ever applied for or been issued a license for lending or loan brokering by any other state, and have you or are you currently engaged in lending or loan brokering activities in any other state? _____ If yes, attach a separate sheet setting forth the license number(s), name of the state licensing authority and dates during which such lending or brokering activity occurred, and the dates the license was held.

B. Have you ever had a lending or brokering license revoked, suspended or denied by any other state licensing authority? _____ If yes, attach a separate sheet which indicates the dates, licensing authority, and reason(s) for revocation, suspension or denial.

11. GENERAL CHARACTER:

Have you ever been convicted of any felony or other offense involving breach of trust, theft, forgery, deception, false advertising, or fraudulent or dishonest dealing, or had a final judgment entered against you in a civil action upon grounds of fraud, misrepresentation, deceit or similar reason? _____ If yes, list on a separate sheet the type of offense or judgment, the name and address of the court before which the case was heard, docket #, the date of the conviction or judgment and the sentence, penalty or award ordered.

12. OTHER INFORMATION:

Attach a separate sheet indicating any other items of Personal History considered relevant by you.

13. AFFIRMATION:

I subscribe and affirm that the foregoing statements, including statements made in any accompanying papers, have been examined by me and to the best of my knowledge and belief are true, accurate and complete.

Signature

Date

Title

State of _____)
County of _____) SS.

On this the _____ day of _____, 19____, before me, the undersigned officer, personally appeared _____, to me personally known (or satisfactorily proven to be) the person whose name is affixed to the above disclosure statement, and made oath that the statements contained herein are true, accurate and complete to the best of his or her knowledge and belief.

Notary Public/Justice of the Peace

My commission expires _____

TO BE COMPLETED ONLY IF APPLYING FOR A RENEWAL LICENSE, AND THE BOX IN THE INSTRUCTION SECTION ON PAGE 1 OF THIS FORM HAS BEEN CHECKED.

14. CERTIFICATION:

I hereby subscribe and affirm that no change in the owners, officers, partners, trustees and/or directors of FINANCIAL RESOURCES ASSISTANCE has occurred since an application was filed with the State of New Hampshire

(Name of Applicant)

Banking Department for a 1997 lender and/or broker license, and further state that I am duly authorized by said applicant to execute this certification.

[Redacted Signature]

12/22/97
Date

Signature

President
Title

State of New Hampshire
County of Belknap) SS.

On this the 22nd day of Dec, 1997, before me, the undersigned officer, personally appeared SCOTT D. FARAL, to me personally known (or satisfactorily proven to be) the person whose name is affixed to the

(Name of Officer)

above certification, and made oath that the statements contained therein are true, correct and complete to the best of his or her knowledge and belief.

[Redacted Notary Signature]

Notary Public/Justice of the Peace

MAUREEN E. GLENNON, Notary Public

My commission expires My Commission Expires September 8, 1998

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
██
Estate Planning Training Course 1988
Financial Products Training Course 1987
██
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
██
Masters in Financial Sciences (in progress)
██

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
██
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

Banking Department

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

RSA 398-A Second Mortgage Home Loan Surety Bond

Bond Number 8064386

FINANCIAL RESOURCES & ASSISTANCE
OF THE LAKES REGION, INC.

(Name of Licensee)

of 15 Northview Drive, Meredith

(Principal Business Address)

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

the laws of the State of New Hampshire 03253 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 97 and ending the 31st day of December, 19 98 in the sum of Five 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 398-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. of

(Name of Principal/Licensee)

15 Northview Drive, Meredith, NH 03253

(Principal Business Address)

who is or may be licensed to engage in a second

mortgage home loan business under the provisions of Chapter 398-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, 1997

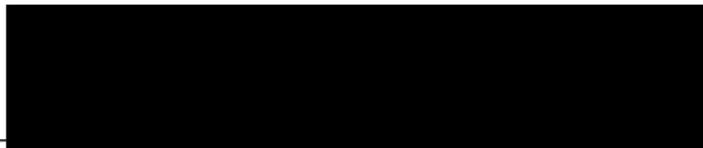
FINANCIAL RESOURCES & ASSISTANCE
OF THE LAKES REGION, INC.

(Name of Licensee)



Witness

By:



(Signature)

Title: Scott D. Farah, President



Witness

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

(Signature)

Attorney in fact:



William Ver Planck, 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

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."

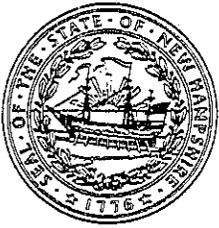
IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company, this 31st day of December, 1997

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."



State of New Hampshire

Banking Department

169 Manchester Street
Concord, New Hampshire 03301

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

AUTHORIZATION RELEASE FORM FOR NON-DEPOSITORY LENDERS

INSTRUCTIONS: To be completed by each senior officer (senior vice president and higher), director, partner, trustee and owner of 10% or more of the applicant. This form may be duplicated. Publicly traded corporations, and the wholly owned subsidiaries of publicly traded corporations, may submit the company's or the parent corporation's most recent U.S. Securities and Exchange Commission Form 10-K and 10-Q in lieu of this authorization.

Submitted in connection with an application made for a non-depository lender and/or broker license application pursuant to RSA 397-A, 398-A, 399-A and/or 361-A by:

Financial Resources + Assistance, Inc.
(Name of License Applicant)

Scott D. Farah, Owner/President
(Name of Officer, Owner, Director, Partner, Trustee)

I hereby authorize the State of New Hampshire Banking Department to request and receive reports of convictions for felonies and/or misdemeanors committed by me from any and all law enforcement officials, and further authorize that such information may be released to the State of New Hampshire Banking Department by such law enforcement officials upon presentation of this authorization, or a photostatic copy hereof. I understand that the State of New Hampshire Banking Department will utilize any information it receives as a result of this authorization solely for purposes of determining compliance with licensing standards set forth in RSA 397A, 398-A, 399-A and/or 361-A, as applicable, and that any information received by the State of New Hampshire Banking Department as a result of this authorization will be held confidential.

SCOTT D. FARAH
(Print or type name)

8/27/63
(Date of Birth)

(Signature)

(Social Security Number)

President
(Title)

Meredith, NH
(City and State of Residence)

State of _____)
County of _____)SS.

*St. Margaret's
8/16*

On this the _____ day of _____, 19____, before me, the undersigned officer, personally appeared _____, to me personally known (or satisfactorily proven to be), and acknowledged the foregoing authorization to be his or her voluntary act and deed.

*St. Margaret's
8/16*

Notary Public/Justice of the Peace

My commission expires _____

2890

Financials

NAME OF AGENT The Rowley Agency, Inc.

Fidelity and Deposit Company

HOME OFFICE OF MARYLAND BALTIMORE, MD. 21201

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.

TYPE OF STATEMENT

CURRENT ASSETS

Cash in <u>[redacted]</u>	<u>30,000.00</u>
(Name and Location of Bank)	
" <u>[redacted]</u>	
(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)	

CURRENT LIABILITIES

Notes Payable—to banks and others	
1 To <u>[redacted]</u> \$ <u>15,000</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 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>

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)

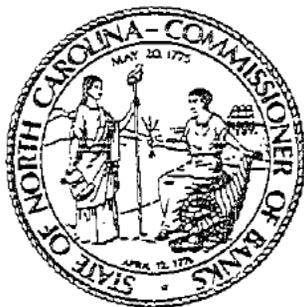
Do you carry Fidelity Bonds on your employees who handle funds? NA (Security Given Bank for Repayment)

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

MORTGAGE BROKER REGISTRATION CERTIFICATE



NO. B-1170

Main Office

Effective : 10/1/96

STATE OF NORTH CAROLINA

The North Carolina Commissioner of Banks certifies that

Financial Resources & Assistance of the Lakes Region, Inc.
a Corporation
15 Northview Drive
Meredith, NH 03253

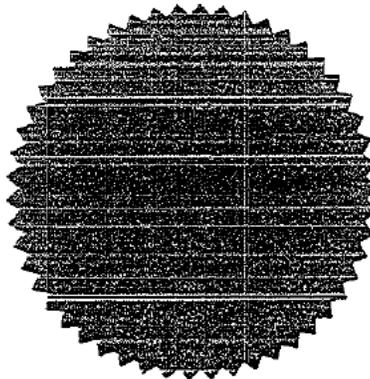
has complied with the registration requirements of G.S. 53-237 and can
operate its business as a mortgage broker.

This certificate is valid only at the above location and may not be
transferred.

Witness my signature and Official Seal.



Hal D. Lingerfelt
Commissioner of Banks



THIS CERTIFICATE SHALL BE PROMINENTLY POSTED AT ALL TIMES.



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

RECEIVED
BANKING DEPT.
Date FEB 4, 1998

FINANCIAL RESOURCES & ASSISTANCE, INC.
MR. SCOTT FARLAK
P.O. Box 1150
Meredith, NH 05503
First Advantage Bank/Baker
Home Loan
To: _____, applicant for a SECOND MORTGAGE license.
License Year 1998 Type RENEWAL

The State of New Hampshire Banking Department has received your application for a license.

Your application cannot be processed for the reasons checked below and will remain in the department's "Pending File" until the indicated items are received, or until 60 days after this notice, whichever occurs first. If we do not receive the missing information within 60 days from the date of this notice, your application will be deemed withdrawn. If you wish to pursue licensing after that date, you will be required to file a new application, including a new payment of the application fee.

- Application fee not included
- Trade name certificate not attached
- Trade name is not registered to applicant
- List of Owners, Officers and Directors missing
- New Hampshire Agent not listed (include address)
- Original surety bond or continuation certificate in the amount of \$_____ missing.
- Registration as foreign corporation not attached
- Financial Statements incomplete ~~ex-de-not balance~~ NOT SIGNED BY PREPARER & NOTARIZED
- Rate information not provided
- Personal Disclosure Statements missing
- Application unsigned by officer or applicant
- Application lacks notarization
- Servicer list for portfolio loans absent
- Application on incorrect or old form
- List of other states in which lending licenses are held is missing
- Detail on narrative description of operations Q18 & Q17
- Statement as to license revocations, suspensions & denials missing
- Resumes of corporate officers not attached
- Detail on the following balance sheet item _____
- Other items REGISTRATION AS CORPORATION-SEE. OF STATE NH Certificate of Incorporation
- MORTGAGE BANKER BOND \$70,000 MIN.
- MOST RECENT TAX RETURN
- LIST OF CORRESPONDENT LEADERS Included in Q18

Questions may be addressed to Raymond Heroux, Consumer Credit Administrator, at (603) 271-3561.

Second Mortgage Checklist

1996 Annual Report received yes _____ no ✓ *N/A 1/97*

Overdue complaints? yes _____ no ✓

Application fee submitted ✓
Application fee accurate ✓

Applicant name *Trust in name of [unclear]*
If trade name, current and issued to applicant reviewed and OK *N/A* ✓
Tax ID _____

Principal place of business address complete ✓
Additional offices fee remitted *N/A*
Additional offices fee correct _____
Additional offices addresses complete _____

CEO & Title ✓
CEO Address, Phone, E-mail, Complete ✓

WWW ✓ *

Bond - (Check '97 application or language) ✓

Organization type indicated ✓
State and Date of incorporation *N/A 5/09*
Copy of Incorporation Certificate _____ *
Foreign Corporation registration *N/A* *
Resumes Reviewed and OK ✓ *
Foreign Corporation registration _____ *
Resumes Reviewed and OK _____ *



Second Mortgage Checklist

Agent Name, address, phone complete N/A *
List of owners, officers, directors, partners, etc. ✓ *
Resumes for each on directors list ✓
*Applicant (corporation) experience ✓ *

License Other states list ✓ *
State, License #, License type, Expiration date indicated for each ✓ *

Background & Financial Disclosure Form

10K/10Q attached or No changes since last application indicated ✓ or
Background and Financial disclosure form attached for each
person listed in item 9 of application _____
If above is yes, item #14 signed _____
If above is yes, item #14 notarized _____ Each name &
address complete _____
Each DOB indicated _____
Each SS# indicated _____
Place of Birth _____
Driver's license# & state _____
Applicant name _____
License type _____
Balance sheet complete _____
Reviewed for \$25K and location and OK _____
Balance sheet reviewed & OK _____
Invest in applicant _____
Loans to applicant indicated _____ *
If loans yes, note attached _____ *
Financing of investment indicated _____ *
Past bankruptcy indicated _____
If previous bankruptcy, specifics indicated _____ *
Contingent Liabilities indicated _____ *
" " reviewed & OK _____
Income statement complete _____
" " reviewed & OK _____
Employment history attached _____
" " reviewed & OK _____
Licenses held completed _____
List of licenses attached _____
List contains dates of assoc., title, co. name and address,
duties, supervisor & reason for leaving _____ *

Second Mortgage Checklist

Disciplinary action completed _____
If disciplinary yes, explain attached _____
If disciplinary attached, include dates, state, reasons _____*
Disciplinary action reviewed & OK _____
Each Credit report reviewed & OK _____
Each criminal report reviewed & OK _____
Criminal convicts completed _____
If yes, list attached _____
List contains offense, sentence/penalty, court, docket #
date _____
Criminal conviction reviewed and OK _____
Affirmation signed _____
Affirmation notarized _____

FINANCIAL RESOURCES, INC.

15 NORTHVIEW DRIVE • P.O. BOX 1158 • MEREDITH, NH 03253
(603) 279-1133 • FAX (603) 279-5912

Second mtg

In answer to question ~~18~~¹⁷ under Operations;

- 1) Loans are usually funded in the investor's name
- 2) Loans are usually closed in the investor's name
- 3) The correspondent lenders we do the majority of our business with are 
- 4) We have no specific target market
- 5) We do very little wholesale lending
- 6) We do not have Fannie Mae, Freddie Mac or Ginny Mae approval

7) We solicit loans via direct mail and referrals. Upon a client being preapproved via mail or telephone and accepting the terms of our loan proposal we send them a complete package including RESPA, TIL and loan application and request that they sign the RESPA, complete and sign the application, and send us additional data, ie, tax returns and recent pay stubs. In addition, we order an appraisal on the property. The majority of the time we have the client pay for the appraisal at the door. Upon receipt of the client's paperwork and the appraisal we prepare the package for submission. We then send the package to the investor who is most likely to approve the loan. If the investor denies the loan we will submit it to another investor in an attempt to always offer the borrower an option. If all investors deny the loan then we will send the borrower a denial letter. If the borrower is approved we request any additional conditions that the investor requires. Upon receipt of all conditions we send them to the investor for sign off. Once we have received a "clear to close" we call the attorney to schedule a closing. The loans are almost always closed in the investor's name.

LIST OF CORRESPONDENT LENDERS

