



State of New Hampshire

Banking Department

56 Old Suncook Road
Concord, New Hampshire 03301

Telephone: (603) 271-3561

FAX: (603) 271-1090

A. ROLAND ROBERGE
BANK COMMISSIONER

BANKING DEPT.

FORM 398-A-2
**APPLICATION FOR SECOND MORTGAGE
HOME LOAN LENDING LICENSE**
License Year: 2000

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. # | <u>25987</u> |
| Amt. \$ | <u>250.00</u> |
| Rec'd B | [Redacted] Date <u>11/18/99</u> |
| Entered By | [Redacted] Date <u>10/23/99</u> |
| App. Complete | [Redacted] Date <u>12/20/99</u> |
| Approved By | [Redacted] Date <u>12/20/99</u> |
| Pr. Lic. # | <u>5903</u> Date Mailed <u>12/20/99</u> |

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, 1999 license number on all attachments. Ensure all forms are properly signed and notarized. Applications filed without payment will not be processed. **DO NOT LEAVE ITEMS BLANK OR FAIL TO INCLUDE REQUIRED ATTACHMENTS.**

APPLICATION STATUS

1. Check one: New Application
 Renewal Application (1999 License # 5903 MHL)

NAME AND IDENTIFICATION OF APPLICANT

2. Name of Applicant: FINANCIAL RESOURCES & ASSISTANCE, INC.

OF THE LAKES REGION

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 (Telephone: 603-271-3244) Trade name provided below MUST match 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 (MUST be licensed - \$250 license fee must be enclosed) :

| | | | |
|---|--------------------------------|----------------------|-----------------------|
| <u>15 NORTHVIEW DRIVE</u> (Street Address) | <u>MEREDITH</u> (City) | <u>NH</u> (State) | <u>03253</u> (Zip) |
| <u>PO BOX 1158</u> (Mailing Address) | <u>"</u> (City) | <u>"</u> (State) | <u>"</u> (Zip) |
| <u>(603) 279-1133</u> (Telephone) | <u>(603) 279-5912</u> (Fax) | | |

3b. Other 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, direct telephone number and fax number for each listed location. (Attach a separate sheet if necessary)

| <u>Address</u> | <u>Manager</u> | <u>Telephone</u> | <u>Fax</u> |
|----------------|----------------|------------------|------------|
|----------------|----------------|------------------|------------|

EXECUTIVE OFFICER

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

Name SCOTT D. FARAH 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/fra

BONDING

6. Attach ORIGINAL \$5,000 surety bond or ORIGINAL continuation certificate for each licensed location. (One bond may be submitted for multiple locations, provided the amount of the bond equals the total number of offices times \$5,000.)

Provide expiration date of bond 12/31/2000 (Must not expire prior to 12/31/2000) 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 _____ Limited Liability Company _____
Other (specify) _____

A. If a corporation, provide date and state of incorporation, and attach a copy of Certificate of Incorporation issued by the State in which the applicant is incorporated.
State: NH Date: 5/18/89

B. If applicant is not a NH entity, attach a copy of certificate of registration as a foreign entity issued by the NH Secretary State, Corporate Division. (Telephone: 603-271-3244)

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 IS PRESIDENT + 100% OWNER. BUS ADDRESS SAME AS CO. HOME: [REDACTED]
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 current lending and/or brokering licenses by any other state. Provide name of state, license type, license number and expiration date for each license held.
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. Copies of the following that are prepared by a public accountant, certified public accountant or applicant's financial officer (applicant's financial officer must provide signed and notarized statements):
1. Balance sheet, as of most recent quarter end
 2. Cash flow statement, as of most recent quarter end
 3. Income statement, as of most recent quarter end
- B. Individuals, sole proprietors, partnerships, limited liability companies and corporations with 20 or fewer shareholders must attach most recent federal tax returns.
- C. Publicly traded corporations and wholly owned subsidiaries of publicly traded corporations may submit copies of their, or their parent corporation's, most recent SEC 10K and 10Q forms in lieu of financial statements required by A. above.

15. OPERATIONS

- (a) How are loans funded? *THE MAJORITY OF ALL LOANS ARE FUNDED BY THE ENTITIES THAT ARE PURCHASING THEM, AT THE CLOSING TABLE.*
- (b) Name(s) loans are closed in? *THE MAJORITY OF ALL LOANS ARE CLOSED IN THE NAME OF THE FUNDING SOURCE. THE BALANCE ARE CLOSED IN OUR NAME.*
- (c) List all correspondent lenders or brokers, as applicable, that make/broker NH loans (include company name, address, telephone #'s and contact person for each)
- LIST ATTACHED*
- (d) Describe wholesale lending activities (if applicable)
- NA*
-

-
16. 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. (All such offices must be licensed.)

MAIN OFFICE ONLY

17. 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. (All such offices must be licensed.)

MAIN OFFICE ONLY

18. 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 (All such offices must be licensed.)

MAIN OFFICE ONLY

19. 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

PERSON COMPLETING APPLICATION:

SCOTT FARAH
(Name)

PRESIDENT
(Title)

(603) 879-1133
(Direct Telephone No.)

SAME AS ABOVE

(Mailing Address)

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: 11/11/99

FINANCIAL RESOURCES, INC
(Applicant)

By _____

Title PRESIDENT

State of New Hampshire)
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 that the foregoing statements by him/her subscribed to be true.

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

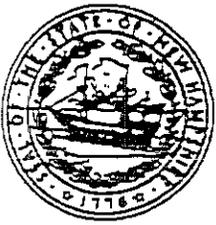
this 11th day of November Year 1999.

My Commission Expires December 20, 2000

My Commission expires _____

Renewal applications must be received by the Banking Department by DECEMBER 1, 1999.

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,
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

RSA 398-A Second Mortgage Home Loan Surety Bond

Bond Number 08064386

FINANCIAL RESOURCES & ASSISTANCE
OF THE LAKES REGION, INC.

(Name of Licensee)

of 15 Northview Drive, Meredith

(Principal Business Address)

a Corporation

(Corporation, Individual, Partnership, etc.)

established under and by virtue of

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 99 and ending the 31st day of December. ~~19~~ 2000 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.

FINANCIAL RESOURCES & ASSISTANCE
OF THE LAKES REGION, INC.

The Condition of this surety bond is such that if the above

(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, 1999

FINANCIAL RESOURCES & ASSISTANCE
OF THE LAKES REGION, INC.

(Name of Licensee)



Witness

By:



(Signature)

Scott D. Farah, President

Title: FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Witness



(Signature)

Attorney in fact: William Ver Planck

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. Castara, Bruce M. 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, 1992

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."

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 1987
 District of Columbia, City of Washington
 [REDACTED]
 Double Major
 BS in Business Administration Cum Laude 1985
 BS in American History Cum Laude 1985

EMPLOYMENT

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

OUTSIDE ACTIVITIES

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

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

FINANCIAL RESOURCES, INC.
15 Northview Drive
Meredith, NH 03253

BALANCE SHEET
As of September 30, 1999

CURRENT ASSETS

| | | |
|---------------------------------------|-----------|------------------|
| Cash on Hand and in Banks | 62,150 | |
| Notes, Loans & Other Accts Receivable | 1,113,794 | |
| Real Estate | 0 | |
| Equipment | 106,050 | |
| Stocks | 0 | |
| Other Assets | 0 | |
| TOTAL ASSETS | | 1,281,994 |

CURRENT LIABILITIES

| | | |
|------------------------------------|---------|------------------|
| Notes, Loans & Other Accts Payable | 162,350 | |
| Real Estate Mortgages | 0 | |
| Due on Equipment | 3,400 | |
| Borrowed or Due on Stocks & Bonds | 0 | |
| Other Debts & Liabilities | 0 | |
| TOTAL LIABILITIES | | 165,750 |
| TOTAL ASSETS | | 1,281,994 |
| TOTAL NET WORTH | | 1,116,244 |

The above is correct and complete to the best of my knowledge and belief.

[Redacted Signature]

Scott D. Farah

[Redacted Notary Signature]

Notary

9/30/99

Date

9/30/99

Date

14.A.

5903 MHL

FINANCIAL RESOURCES, INC.
 15 Northview Drive
 Meredith, NH 03253

INCOME STATEMENT
 January 1, 1999 Through September 30, 1999

INCOME/EXPENSES

| | | |
|-----------------------|---------|---------|
| INCOME | 958,118 | |
| GROSS INCOME | | 958,118 |
| EXPENSES | | |
| Advertising | 11,014 | |
| Client Fees | 66,959 | |
| Donations | 1,208 | |
| Dues - Licenses | 858 | |
| Equipment | 28,612 | |
| Expenses - Other | 4,256 | |
| Fees | 19,780 | |
| Insurance | 24,007 | |
| Interest | 118,939 | |
| Leases | 4,556 | |
| Legal | 7,949 | |
| Maintenance | 10,316 | |
| Meals & Entertainment | 378 | |
| Mileage | 6,598 | |
| Office Expense | 2,500 | |
| Petty Cash | 1,156 | |
| Postage | 25,232 | |
| Refunds | 5,422 | |
| Salaries & Wages | 128,480 | |
| Subcontract 1099-MISC | 335,978 | |
| Supplies | 61,342 | |
| Taxes | 9,832 | |
| Telephone | 20,480 | |
| Utilities | 8,028 | |
| TOTAL EXPENSES | | 903,880 |
| NET PROFIT | | 54,238 |

The above is correct and complete to the best of my knowledge and belief.

[Redacted Signature]

Scott D. Farah, President

[Redacted Signature]

Notary

9/30/99

Date

9/30/99

Date

16.C

5903- MHL

FINANCIAL RESOURCES, INC.

15 Northview Drive
Meredith, NH 03253

BUSINESS REFERENCES

| | |
|------------|------------|
| [REDACTED] | [REDACTED] |

BANK REFERENCE

| | |
|------------|------------|
| [REDACTED] | [REDACTED] |
|------------|------------|

Nov-18-97

Checklist SECOND MORTGAGE HOME LOAN LENDER

REVISED 11/98

Date application received

| | | | | |
|-----|---|---|------------|----------------|
| #1 | Application Status indicated | | NEW | <u>RENEWAL</u> |
| #2 | Name: | <u>FINANCIAL RESOURCES & ASSISTANCE OF THE LAKES REGION, INC.</u> | | |
| #2a | Trade Name: | <u>N/A</u> | YES | <u>NO</u> |
| | Copy of Trade Name registration issued by the NH Secretary of State included? The name requested must match the registration certificate! | | YES | <u>N/A</u> NO |
| #2b | Applicant's Federal Tax ID number indicated | | <u>YES</u> | NO |
| #3a | Applicants principal place of Business address, phone #, fax # | | <u>YES</u> | NO |
| | Mailing address | | <u>YES</u> | NO |
| | \$250 FEE PAID | | <u>YES</u> | NO |
| #3b | Additional Offices | Business address, Manager, phone #, fax # | YES | <u>N/A</u> NO |
| | | Mailing address | YES | NO |
| | | \$250 FEE x ___ # Offices | YES | NO |
| #4 | Executive Officer, Business address, Mailing address, telephone number indicated | | <u>YES</u> | NO |
| #5 | World Wide Web address indicated | | <u>YES</u> | N/A NO |
| #6 | Original \$5,000 Surety Bond or original continuation certificate for each licensed location | | <u>YES</u> | NO |
| | Expiration date of bond correct (12/31/XX) | | <u>YES</u> | NO |
| | Insurance Agent listed with telephone # | | <u>YES</u> | NO |
| #7 | Applicant's Legal Status: Individual, <u>Corporation</u> , Partnership, LLC, _____ | | YES | NO |
| | State of Registration <u>NEW HAMPSHIRE</u> Date <u>MAY-18-89</u> | | | |
| | Copy of home state registration certificate provided (<u>IN FIRST MTEE APP.</u>) | | <u>YES</u> | NO |
| | If foreign entity, Copy of Foreign Registration issued by NH Secretary of State provided | | YES | <u>N/A</u> NO |
| #8 | If foreign entity, NH Agent designated | | YES | <u>N/A</u> NO |
| #9 | List of principal shareholders, directors, senior officers, and partners with business and residence addresses, titles for each person | <u>ALL</u> | <u>YES</u> | NO |
| #10 | Resumes of directors and senior officers provided for each person | <u>ALL</u> | <u>YES</u> | NO |
| | Publicly traded companies or subsidiaries provide SEC 10-K report and 10-Q report in lieu | | YES | <u>N/A</u> NO |
| #11 | List of current lending or broker licenses issued by other states indicating state, license type, license number and expiration date for each license | | YES | <u>NO</u> |
| #12 | Lending or loan brokering license revoked, suspended or denied by NH or any other state, or any formal disciplinary proceedings? | | YES | <u>NO</u> |
| | If answered YES, are complete details provided (Refer to Kerry) | | YES | <u>N/A</u> NO |

- #13 Conviction of a felony
 If answered YES, are complete details provided including dates, location, docket number, nature of the crime, and penalties (Refer to Kerry)
- #14 Financial Statements must have \$25,000 available or invested in loans for each location
- A Audited Balance Sheet, Income Statement, Cash Flow as of most recent quarter end
 OR
 Statements prepared by the applicant's financial officer must sign and notarized
- B Individuals, sole proprietors, partnerships, limited liability companies and corporations with 20 or less shareholders must provide a copy of the most recent federal business tax return ie. 1120, 1120S, K-1, other
- C Publicly traded corporation or subsidiary
 If YES, submit copies of the parent corporation's most recent SEC 10-K report and 10-Q report in lieu of items requested in #15 A
- #15 a Narrative provided
- b List of names loans closed in provided
- c Brokers provide list of correspondent lenders with company name, address, telephone # and contact person
 List reviewed for proper license.
 Is an Affirmation required?
- d Narrative of wholesale activities
- #16 Does applicant have a New Hampshire office?
 If NO, list all offices that process NH loans. Each office must be licensed
- #17 Does applicant have a New Hampshire office?
 If NO, list all offices that underwrite NH loans. Each office must be licensed
- #18 Does applicant have a New Hampshire office?
 If NO, list all offices that service NH loans. Each office must be licensed
- #19 Are NH loans serviced by third parties?
 If YES, provide list of Servicer, mailing and street address, phone #, name & title senior officer (Each SERVICER must be registered)
NO LOANS ARE SERVICED
- Person completing application with mailing address completed?
- Affirmation, signed, dated, and notarized?

YES NOYES N/A NO YES NOYES N/A NO YES N/A NO YES N/A NOYES N/A NO YES NO YES NOYES N/A NOYES  NOYES  NOYES N/A NO YES NO YES NO YES NOYES N/A NO YES NO YES NO

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Bond

SECOND MORTGAGE HOME LOAN

\$5,000 Surety Bond (one per licensed location) Expires 12/31/XX

YES NO

Bond completed, Dated, accepted & signed by applicant, signed by bonding agent

YES NO

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Personal Background and Financial Disclosure Statement

NEW RENEWAL

NEW applicants complete pages 3 - 6 as instructed

N/A

RENEWAL applicants complete page 1 only, if NO changes since previous renewal

YES

RENEWAL applicants complete pages 3 thru 6, if there are any changes since the previous license

N/A

Authorization Release Form

Completed for ALL NEW Applicants, Officers, Owner, Directors, Partners, Trustees, Members

Make copy and send to Department of Safety Criminal Investigation

Call for credit report

Credit report review. Any credit issues?

YES ✓ NO

Set up CONFIDENTIAL file - Including Tax Return, Credit Report, and Criminal Report

N/A

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