

AGREEMENT

AGREEMENT by and between the New Hampshire Banking Department (“the Department”) and First Magnus Financial Corporation (FMFC), with a principal place of business at 603 N Wilmot Rd, Tucson, AZ 85711.

WHEREAS, the Department enforces the provisions of RSA 397-A governing the requirements of licensure for mortgage brokers and through NH RSA 397-A: 2 governs compliance with federal law regarding mortgage transactions.

WHEREAS, the Department is in receipt of two advertisements whereby loan originators employed by FMFC solicited mortgage application referrals and promise \$250 gift cards at closing in return for said referrals.

WHEREAS, FMFC acknowledges that had any such transactions been completed they would have constituted offering referral fees in violation of the Real Estate Settlement Procedures Act, Regulation X, 24 C.F.R. § 3500.14(b) and thereby be a violation of New Hampshire law (RSA 397-A:17 I(1)).

WHEREAS, FMFC has represented that no such transactions have occurred and the Department has no evidence to dispute this assertion, the parties agree to the following settlement. FMFC has further taken steps to prevent similar advertisements in the future.

NOW THEREFORE, in consideration of the premises, representations, and agreements contained herein, the Department and IMH agrees as follows;

1. FMFC agrees that any violations of law pertaining to its mortgage brokering activities shall be grounds for further action being taken against it.

2. FMFC agrees that it will not deny the factual basis for this Agreement to which it has stipulated above and will not give conflicting statements about such facts or its involvement in the stipulated facts.
3. FMFC agrees to issue educational materials to all New Hampshire loan originators and branch managers pertaining to 24 C.F.R. §3500.14(b), which materials will include a copy of the prohibited advertisement and this consent agreement.
4. FMFC agrees to take such steps as are necessary to prevent such offerings being made in the future.
5. Upon development of information that such transactions have in fact occurred, FMFC agrees that it will immediately refund \$250 to the consumer for whom the referral was paid as FMFC acknowledges that this was an undisclosed cost of the loan for that consumer and simultaneously pay a fine of \$250 to the Department.
6. Violations of the Agreement shall constitute sufficient grounds for license denial, suspension or revocation or initiation of administrative action that may result in the imposition of fines for illegal activity as acknowledged above.
7. This Agreement may be amended or modified only by a written instrument signed by the parties.

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