STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

In re:

Platinum Home Mortgage Corporation,

Respondent.

STIPULATED SETTLEMENT AGREEMENT

The licensing and regulation of mortgage brokers, mortgage bankers and escrow agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS"), respectively, and the regulations promulgated thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter "Division") has the general duty to exercise supervision and control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters. Pursuant to that authority, the Division hereby enters into the following Stipulated Settlement Agreement (hereinafter "Agreement") with Platinum Home Mortgage Corporation (hereinafter "Respondent"), as follows:

RECITALS

WHEREAS, Respondent is an Illinois corporation. Currently, Respondent's status with the Nevada Secretary of State is "active."

WHEREAS, pursuant to Chapter 645E of NRS, Respondent was issued a mortgage banker license (License No. 3177) on August 25, 2008. Currently, Respondent's status with the Division is "active license."

WHEREAS, based upon information and belief and at all relevant times herein mentioned, Respondent conducted licensed mortgage banker activities in the State of Nevada

out of an office located at ~~2440~~ 2450 Vassar Street, Suite 3B, 2t Reno, Nevada (hereinafter "Respondent's Vassar Office").

WHEREAS, in February 2010, and with Division approval, Respondent began relocating Respondent's Vassar Office to 1000 Bible Way, Suite 11, Reno, Nevada 89502 (hereinafter "Respondent's Bible Office). At that time, Respondent's Vassar Office license was cancelled.

WHEREAS, Respondent did not physically close Respondent's Vassar Office and failed to cease conducting mortgage activity in a timely manner during the transition from such now unlicensed Vassar Office to Respondent's Bible Office.

WHEREAS, Respondent's Qualified Employee, FC, unintentionally provided the Division with erroneous information regarding the relocation of Respondent's Vassar Office.

WHEREAS, pursuant to NRS 645E.200, a person who wishes to be licensed as a mortgage banker must file a written application for a license with the Office of the Commissioner and must "[s]tate the name, residence address and business address of the applicant and the location of each principal office and branch office at which the mortgage banker will conduct business in this State, including, without limitation, any office or other place of business located outside this State from which the mortgage banker will conduct business in this State." *See*, NRS 645E.200(1)(b).

WHEREAS, pursuant to NRS 645E.900, "[i]t is unlawful for any person to offer or provide any of the services of a mortgage banker or otherwise to engage in, carry on or hold himself or herself out as engaging in or carrying on the business of a mortgage banker without first obtaining a license as a mortgage banker pursuant to this chapter, unless the person: 1 Is exempt from the provisions of this chapter; and 2. Complies with the requirements for that exemption."

WHEREAS, pursuant to 645E.300, with limited exception, the Division is charged with

conducting "an annual examination of each mortgage banker doing business in this State." *See* NRS 645E.300(2)(d).

WHEREAS, pursuant to NRS 645E.300, the Division conducted a regularly scheduled examination of the books and records of Respondent's Bible Office commencing on May 12, 2010 which revealed that:

a. No books and records were maintained at Respondent's Bible Office, but were instead maintained at Respondent's Vassar Office;

b. Respondent's mortgage agents failed to cease conducting mortgage loan activity in a timely manner on behalf of Respondent out of Respondent's Vassar Office during its transition to Respondent's Bible Office;

c. Respondent's Vassar Office was not licensed by the Division pursuant to Chapter 645E of NRS at the time Respondent's mortgage agents conducted mortgage loan activity on behalf of Respondent, although Respondent subsequently completed the transition of its physical operation to Respondent's Bible Office and currently conducts its mortgage loan activity from that office; and

d. Respondent's mortgage agent, FC, unintentionally provided the Division with erroneous information regarding the relocation of Respondent's Vassar Office.

WHEREAS, pursuant to NRS 645E.670, "[f]or each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than $10,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such... [d]oes not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner..." *See* NRS 645E.670(2)(c).

WHEREAS, after settlement negotiations, the Division and Respondent (collectively, the "Parties") wish to resolve this matter without the necessity of the filing of a complaint for a

formal hearing.

NOW, THEREFORE, in consideration of the representations, covenants and conditions set forth herein, IT IS HEREBY STIPULATED AND AGREED by the Parties that the purported violations of NRS shall be settled on the following terms and conditions:

1. Respondent acknowledges that by its failure to complete the transition of its operations from its Vassar Office to its Bible Office in a timely manner it unintentionally conducted mortgage loan activity out of its Vassar Office at the time such office was not licensed by the Division, in violation of NRS 645E.900, and that Respondent's mortgage agent, FC, unintentionally made erroneous representations to the Division, in violation of NRS 645E.670.

2. Respondent acknowledges and agrees, with full knowledge, to waive its right to have the Division file a complaint if one has not been filed by the date that Respondent executes this Agreement, or if a complaint has been filed, to go to a hearing in this matter.

3. In light of the Respondent's immediate corrective actions in this matter, Respondent shall, pursuant to NRS 645E.670 and/or NRS 622.400, pay an administrative fine to the Division in the amount of Four Thousand Dollars and No Cents ($4,000.00) and the Division's investigative and other costs in the amount of One Hundred and Twenty Five Dollars and No/Cents ($125.00). Respondent shall make payment, in full, to the Division of the administrative fine and investigative and other costs upon its execution of this Agreement.

4. Respondent agrees that in the event it violates any of the provisions of this Agreement, the Division shall retain any and all remedies available to it in accordance with NRS Chapter 645E.

5. The parties agree and acknowledge that this Agreement shall constitute the complete and final resolution of any issues arising out of the Division's May 12, 2010 examination of Respondent.

6. The parties represent and warrant that the persons executing this Agreement on behalf of each party has full power and authority to do so, and has the legal capacity to conduct the legal obligations assigned to it hereunder.

7. Respondent further acknowledges and agrees that the Division shall keep the original of this Agreement.

8. This Agreement may be signed in counterparts and a facsimile signature shall be deemed as valid as an original; however, Respondent shall immediately forward all original signature pages to the Division.

9. This Agreement, as well as the rights and obligations of the parties hereto, shall be interpreted, governed, and construed pursuant to the laws of the State of Nevada.

10. Any action to enforce this Agreement shall be brought in the Eighth Judicial District Court of the State of Nevada in and for Clark County.

11. If the Division is successful in any action to enforce this Agreement, the court may award it attorney's fees. It is specifically agreed that reasonable attorney's fees for the State-employed attorneys shall be $142.55 per hour.

12. Failure to declare a breach or the actual waiver of any particular breach of this Agreement or its material terms, by either party, shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

13. Respondent has the right to retain an attorney to review this Agreement at its sole cost and expense and has freely and voluntarily chosen not to do so.

14. Other than the fine and investigatory and other costs set forth herein, each side shall pay its own costs and fees, including attorney's fees.

15. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such a provision(s) did not exist and the unenforceability of such provision(s) shall not be held to render any other provision(s) of

this Agreement unenforceable.

16. This Agreement constitutes the entire agreement of the parties, and it is intended as a complete and exclusive statement of the promises, representations, negotiations, and discussions of the parties. Unless otherwise expressly authorized by its terms, this Agreement shall be binding upon the parties unless the same is in writing, signed by the respective parties hereto, and approved by the Office of the Attorney General.

17. **NOTICE TO RESPONDENT:** By executing this Agreement, you hereby agree that you are waiving certain rights as set forth herein. As Respondent, you are specifically informed that you have the right to request that the Division file an administrative complaint against you, and at any hearing on such a complaint, you would have the right to appear and be heard in your defense, either personally or through your counsel of choice. If the Division were to file a complaint, at the hearing, the Division would have the burden of proving the allegations in the complaint and would call witnesses and present evidence against you. You would have the right to respond and to present relevant evidence and argument on all issues involved. You would have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved.

You would have the right to request that the Commissioner of the Division issue subpoenas to compel witnesses to testify and/or offer evidence on your behalf. In making this request, you may be required to demonstrate the relevance of the witness's testimony and/or evidence. Other important rights you have are listed in NRS Chapter 645E and NRS Chapter 233B.

18. Respondent understands and agrees that this Agreement may be used to show that past violations have occurred should any future disciplinary action be taken by the Division.

19. In consideration of the execution of this Agreement, Respondent, for itself, its owners, heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry of the State of Nevada, the Division, and each of their members, agents, attorneys (including any and all employees of the Nevada Attorney General), and employees in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of or by reason of the Division's examination of Respondent, and all other matters relating thereto.

20. Respondent hereby indemnifies and holds harmless the State of Nevada, the Department of Business and Industry of the State of Nevada, the Division, and each of their members, agents, and employees, and employees of the Nevada Attorney General in their individual and representative capacities against any and all claims, suits, and actions brought against said persons and/or entities by reason of the Division's examination of Respondent, this Agreement, and all other matters relating thereto, and against any and all expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the persons and/or entities named in this section as a result of said claims, suits, and actions.

///

///

///

///

///

NEXT PAGE IS SIGNATURE PAGE

///

///

///

///

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby. This Agreement shall constitute an Order of the Commissioner.

Dated this 16th day of August, 2010.

Platinum Home Mortgage Corporation

By: _____

Title: Sr Vice President

Dated this 24th day of August, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: _____
Joseph L. Waltuch, Commissioner

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on, August 25, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, STIPULATED SETTLEMENT AGREEMENT for PLATINUM HOME MORTGAGE CORPORATION, and addressed as follows:

Lori Pelinski
Platinum Home Mortgage Corporation
2200 Hicks Road, Suite 101
Rolling Meadows, IL 60008

Certified Receipt Number: 7008 1830 0002 7959 6342

DATED this 25th day of August, 2010

By: Susan Slack
Employee of the Division