

SETTLEMENT AGREEMENT

#500753

by and between the

**OHIO DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS**

Consumer Finance Section
77 South High Street, 21st Floor
Columbus, OH 43215-6120

and

3RD FINANCIAL SERVICE CORPORATION

762 Mallison Avenue
Akron, OH 44307

RE: Ohio Mortgage Loan Act 2006 Renewal Application
filed August 4, 2006.



This Settlement Agreement is a legally binding document that affects your rights.
Read it carefully. If you have any questions, consult an attorney.

SETTLEMENT AGREEMENT

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This Settlement Agreement is entered into by and between:

**OHIO DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS**

Consumer Finance Section
77 South High Street, 21st Floor
Columbus, OH 43215-6120

Hereinafter referred to as “DFI”

and

3RD FINANCIAL SERVICE CORPORATION

762 Mallison Avenue
Akron, OH 44307

Hereinafter referred to as “Respondent”

DFI is a state agency charged with the responsibility of administering and enforcing the Ohio Mortgage Loan Act (“OMLA”), codified in Sections 1321.51 to 1321.60 of the Ohio Revised Code (“R.C.”). Respondent is an Ohio registered corporation that applied to the Division on August 4, 2006 to renew its OMLA license; the renewal application remains pending.

Respondent voluntarily enters into this Settlement Agreement.

STIPULATIONS AND ADMISSIONS

This Settlement Agreement is entered into on the basis of the following stipulations, admissions and understandings:

- A. DFI is empowered by R.C. 1321.54(B) to refuse to renew the certificate of registration of a second mortgage lender if the applicant is in default in the payment of the annual fee prescribed in R.C. 1321.20.
- B. Pursuant to R.C. 1321.73(B), Respondent was required to submit its 2006 renewal application with annual fee to DFI by June 30, 2006.
- C. Respondent submitted its 2006 renewal application on August 4, 2006; that application remains pending.

- D. Respondent understands that because it did not timely submit its renewal application, DFI has the authority to refuse to renew Respondent's OMLA certificate of registration.
- E. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's 2006 renewal application on the basis of its untimely filing.
- F. DFI expressly reserves the right to institute formal proceedings based upon any violation of or noncompliance with any provision of the OMLA not specifically addressed herein, whether occurring before or after the effective date of this Settlement Agreement.

AGREED CONDITIONS

Wherefore, in consideration of the foregoing and mutual promises hereinafter set forth, and in lieu of any formal disciplinary proceedings at this time, Respondent knowingly and voluntarily agrees with DFI to the following terms, conditions and limitations:

- 1. If Respondent properly files this Agreement and fully complies with every provision, DFI agrees to execute the same and to approve Respondent's OMLA 2006 renewal application.
- 2. As penalty for the violation of law described herein, Respondent agrees to pay a fine of **five hundred dollars (\$500.00)**. Payment shall be in the form of a cashier's check or money order, made payable to "DFI Consumer Finance," and shall be submitted to DFI with this Settlement Agreement.
- 3. Respondent understands and agrees that if DFI discovers that Respondent has provided DFI with false, fraudulent, or misleading information in regard to its renewal application, Respondent agrees that such evidence shall firmly establish that Respondent's financial responsibility and general fitness do not command the public's confidence, pursuant to R.C. 1321.53(A)(4). Respondent further agrees that such evidence is grounds for revocation of its license.
- 4. Respondent understands and agrees that this Agreement shall be considered a public record as that term is used in R.C. 149.43, and may be reported to appropriate organizations, data banks, and governmental bodies, or released to the general public.
- 5. If Respondent violates any term of this Settlement Agreement, DFI may reject the Settlement Agreement and proceed with formal proceedings under R.C. Chapter 119 to deny Respondent's renewal application.
- 6. The above-described terms, conditions and limitations may be amended or terminated at any time upon the written agreement of both parties.

7. This settlement agreement must be received by the Division no later than **October 20, 2006**.

FAILURE TO COMPLY

If, in the discretion of DFI, Respondent appears to have violated or breached any term or condition of this Settlement Agreement, DFI reserves the right to institute formal disciplinary proceedings for any and all possible violations or breaches, including but not limited to, alleged violations of any law occurring before, on, or after the effective date of this Settlement Agreement.

ACKNOWLEDGMENTS/LIABILITY RELEASE

Respondent acknowledges that it has been advised by DFI to seek legal counsel if it has any question concerning the terms and/or effect of this Settlement Agreement.

Respondent hereby releases DFI, its members, employees, agents, officers and representatives jointly and severally from any and all liability arising from the within matter.

This Settlement Agreement shall be considered a public record as that term is used in R.C. 149.43, and may be reported to appropriate organizations, data banks, and governmental bodies, or released to the general public.

This Settlement Agreement in no way binds or limits future actions DFI may take with respect to Respondent or any other person, individual, or company, for the same or similar violations.

EFFECTIVE DATE

It is expressly understood that this Settlement Agreement shall become effective upon the last date of signature below.

The Settlement Agreement must be signed by: the owner if the OMLA certificate holder is a sole proprietor; all partners if the licensee is a partnership; at least one member if a limited liability company; and the president and secretary, as duly authorized by resolution of the board of directors, if the licensee is a corporation. **The ORIGINAL, signed Agreement with all pages attached must be returned.** Keep a copy for your records.

PRINTED Name and Title of Authorized Signor #1: _____

SIGNATURE of Authorized Signor #1: _____
Date

PRINTED Name and Title of Authorized Signor #2: _____

SIGNATURE of Authorized Signor #2: _____
Date

ROBERT M. GRIESER Date
Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

ANTHONY D. SICILIANO Date
Consumer Finance General Counsel
Ohio Division of Financial Institution