

# SETTLEMENT AGREEMENT

**# 501663**

This Settlement Agreement is entered into by and between:

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

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

**Hereinafter referred to as "DFI"**

and

**OHIO SPECIALTY FINANCE, INC.**

**D/B/A CHECK 'N GO**

4540 Cooper Road, Suite 200  
Cincinnati, OH 45242

**Hereinafter referred to as "Ohio Specialty Finance"**

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."). Ohio Specialty Finance is an Ohio corporation that applied to the Division on August 6, 2010 to renew its OMLA certificate of registration; the renewal application remains pending.

Ohio Specialty Finance, Inc. d/b/a Check 'N Go 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. 1321.53(A)(4), Ohio Specialty Finance was required to submit its 2010 renewal application with annual fee to DFI by June 30, 2010.
- C. Ohio Specialty Finance submitted its 2010 renewal application on August 6, 2010; that application remains pending.

- D. Ohio Specialty Finance understands that because it did not timely submit its renewal application, DFI has the authority to refuse to renew Ohio Specialty Finance's OMLA certificate of registration.
- E. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Ohio Specialty Finance's 2010 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, Ohio Specialty Finance knowingly and voluntarily agrees with DFI to the following terms, conditions and limitations:

- 1. If Ohio Specialty Finance properly files this Agreement and fully complies with every provision, DFI agrees to execute the same and to approve Ohio Specialty Finance's OMLA 2010 renewal application provided there are no remaining deficiencies with respect to the application.
- 2. As penalty for the violation of law described herein, Ohio Specialty Finance agrees to pay a fine of **three hundred dollars (\$300.00)**. Payment shall be in the form of a cashier's check or money order, made payable to "Treasurer of State," and shall be submitted to DFI with this Settlement Agreement.
- 3. Ohio Specialty Finance understands and agrees that if DFI discovers that Ohio Specialty Finance has provided DFI with false, fraudulent, or misleading information in regard to its renewal application, Ohio Specialty Finance agrees that such evidence shall firmly establish that Ohio Specialty Finance's financial responsibility and general fitness do not command the public's confidence, pursuant to R.C. 1321.53(A)(4).
- 4. Ohio Specialty Finance 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 Ohio Specialty Finance 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 Ohio Specialty Finance'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 **December 23, 2010.**

#### **FAILURE TO COMPLY**

If, in the discretion of DFI, Ohio Specialty Finance 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**

Ohio Specialty Finance 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.

Ohio Specialty Finance 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 Ohio Specialty Finance 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 registrant 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 registrant 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: Stephen Schaller, Secretary

SIGNATURE of Authorized Signor #1: \_\_\_\_\_ Date \_\_\_\_\_

PRINTED Name and Title of Authorized Signor #2: A. Davis, President

SIGNATURE of Authorized Signor #2: \_\_\_\_\_ Date \_\_\_\_\_

Carolyn L. Bradford ml 12/3/10  
CAROLYN L. BRADFORD Date  
Superintendent  
Ohio Division of Financial Institutions

Lori A. Massey 12/2/2010  
LORI A. MASSEY Date  
Consumer Finance Attorney  
Ohio Division of Financial Institution