

SETTLEMENT AGREEMENT

MB# 803308-2006CE

This Settlement Agreement is entered into 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

**LOWERMYBILLS.COM
2401 Colorado Avenue-Suite 200
Santa Monica, CA 90404**

The Division of Financial Institutions (“DFI”) is a state agency charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act (“OMBA”), codified in Chapter 1322 of the Ohio Revised Code (“R.C.”). LOWERMYBILLS.COM (“Respondent”) held a certificate of registration issued in the 2006 calendar year by DFI permitting it to engage in business as a mortgage broker pursuant to R.C. Chapter 1322.

Respondent voluntarily enters into this Settlement Agreement being fully informed of the right to representation by counsel, and the right to reject this Settlement Agreement and to proceed to a formal adjudicative hearing, pursuant to R.C. Chapter 119 on the issues considered herein.

This Settlement Agreement contains the entire Settlement Agreement between the parties. There is no other agreement of any kind, verbal or otherwise, on the issues considered herein, which varies the terms of the Settlement Agreement.

STIPULATIONS AND ADMISSIONS

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

- A. R.C. 1322.10(F)(2) requires DFI to suspend, without a prior hearing, the certificate of registration of a registrant whose operations manager has failed to fulfill the continuing education requirement of R.C. 1322.052.
- B. R.C. 1322.052 requires every operations manager to complete at least six (6) hours of approved continuing education every calendar year (by December 31st).
- C. Respondent admits that it violated R.C. 1322.052 in 2006 as a result of its operations manager’s failure to complete six (6) hours of approved CE by December 31, 2006.
- D. Because Respondent failed to comply with R.C. 1322.052, R.C. 1322.10(F)(2) requires DFI to suspend Respondent’s certificate of registration until its operations manager has

completed six (6) hours of approved CE and the registrant has paid a fine of five hundred dollars (\$500.00).

- E. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. 1322.10 and R.C. Chapter 119 to suspend Respondent's mortgage broker certificate of registration on the basis of Respondent's admitted violations and noncompliance with R.C. 1322.052.
- F. DFI expressly reserves the right to institute formal proceedings based upon any violation of or noncompliance with any provision of the OMBA 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 continuing with any formal disciplinary proceedings at this time, Respondent knowingly and voluntarily agrees with DFI to the following terms, conditions and limitations:

1. 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.
2. Respondent has completed six (6) hours of approved CE, which shall be applied toward the 2006 calendar year CE requirement. Respondent agrees to submit a copy of the attendance certificate(s) issued by the CE Provider and to designated in **RED INK on the face of a copy of the attendance certificate(s) "PLEASE APPLY TO 2006 CE REQUIREMENT."**
3. Respondent understands and agrees that the six (6) hours of CE credits earned are to be applied only to Respondent's 2006 CE requirement; these credits cannot be applied to Respondent's 2007 CE requirement, which must be completed by December 31, 2007.
4. Respondent understands and agrees that by executing this Settlement Agreement, Respondent admits that it has violated R.C. 1322.052 by failing to complete the 2006 CE requirement of the OMBA, and that Respondent has been penalized in the form of a fine for this violation.
5. Respondent understands that for this Settlement Agreement to be considered for acceptance by DFI, Respondent must be in compliance with every provision of this Settlement Agreement, and that the ORIGINAL properly executed Settlement Agreement, with all pages attached must be received in the offices of DFI on or before July 28, 2007. Should Respondent fully comply with every provision of this Agreement, DFI agrees to execute the same and to forego administrative proceedings to suspend Respondent's certificate of registration.
6. Should DFI discover that Respondent has provided DFI with false, fraudulent, misleading, or incomplete information pertaining to this Agreement, Respondent agrees that such evidence will firmly establish that Respondent's character and general fitness do not command the confidence of the public and warrant the belief that it will conduct business honestly and fairly in compliance with the purposes of the OMBA.
7. The above-described terms, conditions and limitations may be amended or terminated at any time upon the written agreement of both parties.

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. Respondent shall not seek attorney fees or other costs arising from the within matter.

This Settlement Agreement shall be considered a public record as that term is used in R.C. section 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 mortgage broker 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

RICHARD F. KECK Date
Acting Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

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