

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

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| In the matter of: |) | Case No. M2006-9992878 |
| |) | |
| ACE MORTGAGE FUNDING, LLC |) | DIVISION ORDER |
| 777 Beachway Drive, Suite 300 |) | Mortgage Broker Fine |
| Indianapolis, Indiana 46224 |) | & |
| |) | Notice of Appellate Rights |

WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, as amended by Ohio Senate Bill 76 and codified in Ohio Revised Code ("R.C.") Chapter 1322, the Division finds that this order is necessary and appropriate, in the interest of the public, and is consistent with the purposes of the Ohio Mortgage Broker Act; and

WHEREAS, Ace Mortgage Funding, LLC ("Respondent") is registered in Ohio as a foreign limited liability company that holds an active certificate of registration pursuant to R.C. Chapter 1322; and

WHEREAS, on July 6, 2006, the Division issued Respondent a Notice which informed it that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

1. A mortgage broker registrant that is a corporation, limited liability company or other business entity or association is required by R.C. 1322.021(A) to notify the Division of every sale, transfer or hypothecation of any stock, security, membership, partnership, or other equitable, beneficial, or ownership interest in the entity, if the interest represents at least a five percent membership, partnership, or other equitable, beneficial or ownership interest in the entity;
2. Respondent has violated R.C. 1322.021(A);
3. On October 10, 2003, the Division and Respondent entered into a Settlement and Consent Order (Case No. 03-MB-D-07-01) that decreed, in part, that "[t]he Respondent shall comply with the requirements of the Ohio Mortgage Broker Act" and that "Respondent understands that any breach of this Settlement and Consent Order may result in the reinstitution of administrative proceedings, including suspension or revocation, the imposition of additional fines and any other remedy available to the Division[;]"
4. Based on the violation of R.C. 1322.021(A), the October 10, 2003 Settlement and Consent Order, and pursuant to R.C. 1322.10(A)(1) and (2), the Division is authorized to revoke or suspend Respondent's certificate of registration or to fine

Respondent one thousand dollars (\$1,000.00) for each day a violation of law or rule is committed, repeated, or continued; and that

5. A fine in the amount of eight thousand dollars (\$8,000.00) is reasonable, appropriate and necessary; and

WHEREAS, the Notice informed Respondent of the Division's intent to fine Respondent and of the opportunity for a hearing regarding the fine if requested within thirty days from the mailing of the Notice. The Notice further cautioned Respondent that if the Ohio Division of Financial Institutions did not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of the Notice, the Superintendent would issue an order imposing a fine of eight thousand dollars (\$8,000.00) on Respondent;

WHEREAS, the Notice was mailed to Respondent, via certified mail, on July 6, 2006, and service was perfected;

WHEREAS, Respondent failed to request a hearing and thereby failed to defend against the Division's allegations;

WHEREAS, the Division finds that the allegations contained in the Notice are true and that Respondent should be fined;

Respondent, Ace Mortgage Funding, LLC, is hereby ordered to pay a fine in the amount of eight thousand dollars (\$8,000.00) received no later than September 11, 2006. Payment shall be in the form of a cashier's check or money order, made payable to "DFI Consumer Finance," and shall be submitted with a copy of this Order to: Ohio Division of Financial Institutions, Attn: Anthony D. Siciliano, Consumer Finance General Counsel, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

NOTICE OF RIGHT TO APPEAL

Respondent is hereby notified that this Order may be appealed, pursuant to R.C. 119.12, by filing a notice of appeal with the Ohio Division of Financial Institutions, setting forth the Order appealed from and the grounds for the appeal. A copy of such notice of appeal must also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 14th day of August 2006.

ROBERT M. GRIESER

Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce