

SETTLEMENT AGREEMENT

#029067-2005CE

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
Hereinafter referred to as "DFI"

and

Barbara A. Schulte
8090 Stratford Drive, Apt. 401
North Royalton, OH 44133-7009
Hereinafter referred to as "Respondent"

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."). Respondent is an individual that held a loan officer license during the 2005 calendar year. The licensure period ended on April 30, 2006, and Respondent filed an application to renew her license, which remains pending.

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 19, on the issues considered herein.

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. section 1322.041 to renew an applicant's loan officer license if DFI finds, among other things, that the applicant has complied with R.C. sections 1322.01 to 1322.12.
- B. R.C. section 1322.052 requires every loan officer to complete at least six (6) hours of approved continuing education every calendar year (by December 31st).
- C. Respondent held a loan officer license during the 2005 calendar year.
- D. Respondent admits that she failed to complete the required CE credit hours for the 2005 calendar year.
- E. The licensure period for Respondent's loan officer license ended on April 30, 2006. In an effort to renew the license, Respondent submitted to DFI a renewal application, which remains pending.

- F. Because Respondent failed to comply with R.C. section 1322.052, DFI has the authority to deny Respondent's loan officer license renewal application.
- G. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's 2006 loan officer license renewal application on the basis of Respondent's admitted violations and noncompliance with the OMBA.
- H. 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 seven hundred fifty dollars (\$750.00). 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 2005 calendar year CE requirement. Respondent agrees to submit a copy of the attendance certificate(s) issued by the CE Provider with this Settlement Agreement, and to write in **RED INK on the face of a copy of the attendance certificate(s) "PLEASE APPLY TO 2005 CE REQUIREMENT."**
3. Respondent understands and agrees that the six (6) hours of CE credits earned are to be applied only to Respondent's 2005 CE requirement; these credits cannot be applied to Respondent's 2006 CE requirement, which must be completed by December 31, 2006.
4. Respondent understands and agrees that by executing this Settlement Agreement, Respondent admits that she has violated R.C. section 1322.052 by failing to complete the 2005 CE requirements of the OMBA and has been penalized in the form of a fine for this violation.
5. Respondent understands and agrees that if Respondent fails to follow any term of this Settlement Agreement or any filing instruction, DFI may reject the Settlement Agreement and initiate formal proceedings under R.C. Chapter 119 to deny Respondents 2006 renewal application for a loan officer license.
6. 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 **January 29, 2007**. Should Respondent fully comply with every provision of this agreement, DFI agrees to execute the same and approve Respondent's 2006 loan officer license renewal application.
7. 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 she will conduct business honestly and fairly in compliance with the purposes of the OMBA. Respondent further agrees that such discovery is grounds for permanent revocation of her loan officer license.

8. The above-described terms, conditions and limitations may be amended or terminated at any time upon the written agreement of both parties.
9. If Respondent properly files this Agreement and fully complies with every provision, DFI agrees to execute the same, to approve Respondents renewal application, and to issue Respondent a loan officer for the period ending April 30, 2007.

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 she has been advised by DFI to seek legal counsel if she 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 ORIGINAL, signed Agreement with all pages attached must be returned.
Keep a copy for your records.

PRINTED Name of Respondent: _____

SIGNATURE of Respondent: _____ Date

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

STEPHEN E. DEFRANK Date
Consumer Finance Counsel
Ohio Division of Financial Institutions