

SETTLEMENT AGREEMENT

#004745-2005CE

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."

&

Elke M. Krueger

151 S. Locust Hill Drive, #210
Lexington, Kentucky 40517

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. On or about March 15, 2006, Respondent submitted an application to renew her loan officer license for the 2006 registration period, and that application remains pending.

On December 11, 2006, the Division issued a notice of intent to deny Respondent's loan officer license renewal application, including a notice of opportunity for hearing on the proposed action, based upon Respondent's failure to complete six hours of continuing education credits during 2005 as required by R.C. 1322.052

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.

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. 1322.041 to issue an applicant a loan officer license if DFI finds, among other things, that the applicant has complied with sections 1322.01 to 1322.12 of the Revised Code.

- B. R.C. § 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 he failed to complete the required CE credit hours for the 2005 calendar year.
- E. Because Respondent failed to comply with R.C. § 1322.052, DFI has the authority to refuse to issue Respondent a loan officer license.
- F. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's 2006 application for a loan officer license on the basis of Respondent's admitted violations and noncompliance with the OMBA.
- G. 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 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 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 with this Settlement Agreement, and to write in **RED INK on the face of a copy of the attendance certificate(s) "PLEASE APPLY TO 2006 CE REQUIREMENT."**

4. Respondent understands and agrees that the twelve (12) hours of CE credits earned are to be applied only to Respondent's 2005 and 2006 CE requirements; these credits cannot be applied to Respondent's 2007 CE requirement, which must be completed by December 31, 2007.
5. Respondent understands and agrees that by executing this Settlement Agreement, Respondent admits that he has violated R.C. Section 1322.052 by failing to complete the 2005 CE requirements of the OMBA, and that Respondent has been penalized in the form of a fine for this violation.
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 March 15, 2007.
7. Should Respondent fully comply with every provision of this agreement, DFI agrees to execute the same, terminate the previous Notice of Intent to Deny Loan Officer License Renewal, and approve Respondent's 2006 loan officer renewal application.
8. 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 he 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 his loan officer license.
9. 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 he has been advised by DFI to seek legal counsel if he 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. 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:

Elke M. Krueger

SIGNATURE of Respondent:

Elke M Krueger 03-01-2007

Date

Richard F. Keck 3/14/07

RICHARD F. KECK

DATE

Acting Deputy Superintendent for Consumer
Finance

Ohio Division of Financial Institutions

Jason K. Wright

JASON K. WRIGHT

DATE

Consumer Finance Associate Counsel
Ohio Division of Financial Institutions

Advanced Education

S Y S T E M S INC

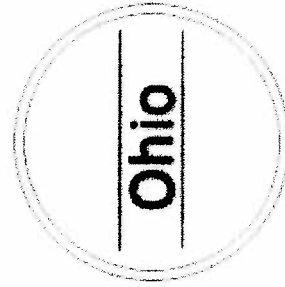
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the course entitled:

Equal Opportunity and Fair Credit in Mortgage Lending - 2 hours

The Provider and above course are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies a portion of the continuing education requirements for mortgage professionals under the Ohio Mortgage Broker Act.

★ PLEASE APPLY TO 2005 CE REQUIREMENT ★



Issue Date: 3/7/2007

License Number: LO.004745

Authentication Number: 1000DOI3122007UD100025CCD859



Christopher Nickerson
Chief Executive Officer

Advanced Education

S Y S T E M S LLC

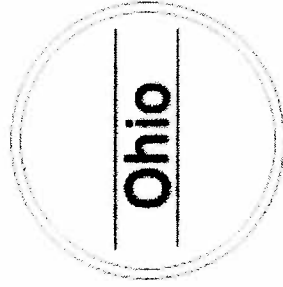
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the course entitled:

Applying the Real Estate Settlement Procedures Act to Mortgage Lending - 2 hours

The Provider and above course are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies the continuing education requirements for mortgage professionals under the Ohio Mortgage Broker Act.

★ PLEASE APPLY TO 2005 CE REQUIREMENT ★



Issue Date: 3/7/2007

License Number: LO.004745

Authentication Number: 1000DOI3122007UD100025CCD857



Christopher Nickerson
Chief Executive Officer

Advanced Education

S Y S T E M S INC.

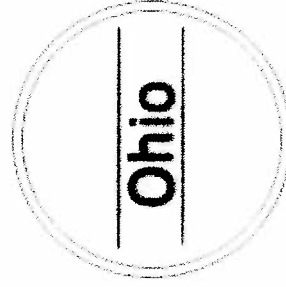
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the course entitled:

Predatory Lending: The Evolution of Abusive Lending Practices in the Subprime Market - 2 hours

The Provider and above course are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies the continuing education requirements for mortgage professionals under the Ohio Mortgage Broker Act.

★ PLEASE APPLY TO 2006 CE REQUIREMENT ★



Issue Date: 3/8/2007

License Number: LO.004745

Authentication Number: 1000DO13122007UD100025CCD856



Christopher Nickerson
Chief Executive Officer

Advanced Education

S Y S T E M S LLC

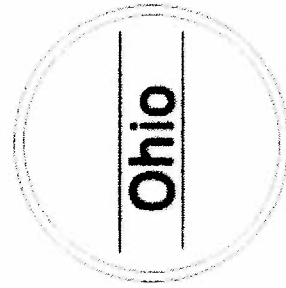
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the course entitled:

Privacy in Modern Lending Practice - 2 hours

The Provider and above course are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies the continuing education requirements for mortgage professionals under the Ohio

★ PLEASE APPLY TO 2006 CE REQUIREMENT ★



Issue Date: 3/8/2007

License Number: LO.004745

Authentication Number: 1000DOI3122007UD100025CCD866

This certification is valid for Renewal Period Ending: 1/1/2010

A handwritten signature in black ink, appearing to read "Chris P. Nickerson".

Christopher Nickerson
Chief Executive Officer

Advanced Education

S Y S T E M S INC

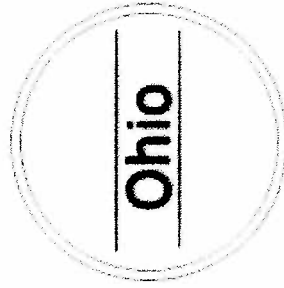
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the courses entitled:

Ethical Principles & Practices in Mortgage Lending - 2 hours

The Provider and above courses are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies the continuing education requirements for mortgage professionals under the Ohio Mortgage Broker Act.

★ PLEASE APPLY TO 2006 CE REQUIREMENT ★



Issue Date: 3/8/2007

License Number: LO.004745

Authentication Number: 1000DOI3122007UD100025CCD855



Christopher Nickerson
Chief Executive Officer

Advanced Education

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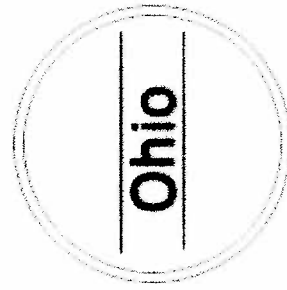
Certificate Of Completion

This will certify that **Elke M. Krueger** has taken and completed our program of studies for two (2) hours of Ohio Continuing Education the course entitled:

Complying With the Federal Truth-in-Lending Act- 2 hours

The Provider and above course are approved by the State of Ohio Department of Commerce Division of Financial Institutions and satisfies the continuing education requirements for mortgage professionals under the Ohio Mortgage Broker Act.

★ PLEASE APPLY TO 2005 CE REQUIREMENT ★



Issue Date: 3/7/2007

License Number: LO.004745

Authentication Number: 1000DOI3122007UD100025CCD858



Christopher Nickerson
Chief Executive Officer