



# Department of Commerce

Division of Financial Institutions

Ted Strickland, Governor  
Kimberly A. Surz, Director

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DIVISION OF FINANCIAL  
INSTITUTIONS  
2010 OCT 14 PM 3:56

In the matter of:

**MFC MORTGAGE, INC. OF FLORIDA**

851 Trafalgar Court, Suite 320 W

Maitland, FL 32751

Case No. M2009-1095

**SETTLEMENT AND  
CONSENT ORDER**

WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322; and

WHEREAS, MFC Mortgage, Inc. of Florida ("Respondent") is a corporation that holds a mortgage broker certificate of registration ("license") issued by the Division pursuant to the Ohio Mortgage Broker Act. The business address of record for Respondent is 851 Trafalgar Court, Suite 320 W, Maitland, Florida 32751; and

WHEREAS, on May 7, 2010, the Division issued Respondent a Notice of Intent to Refuse to Renew Mortgage Broker Certificate of Registration and Notice of Opportunity for a Hearing ("Notice"); and

WHEREAS, the Notice contained allegations and findings that:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to renew a mortgage broker certificate of registration if the Division finds that the registrant has violated "or fail[ed] to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted[.]"
- B. Respondent holds certificate of registration number MB.802762.
- C. R.C. 1322.04(E) requires a registrant to designate another person to serve as operations manager whenever the person designated as operations manager is no longer the operations manager.
- D. Pursuant to 1301:8-7-12(I) of the Ohio Administrative Code, "if the individual designated as the operations manager ceases to act as operations manager for any reason... the registrant shall: (1) within thirty days designate another individual as the operations manager."
- E. Pursuant to Ohio Admin. Code 1301: 8-7-12(N) "[a]n individual acting as an operations manager must hold an active loan officer license at all times while serving as operations manager. Should the individual's license cease to be active for any reason, the individual's operations manager approval is automatically terminated."
- F. On or about April 24, 2009, Respondent submitted an application to renew its mortgage broker certificate of registration. That application remains pending.

- G. By letter dated November 24, 2009, Respondent informed the Division that its operations manager, Darlene Hale (LO.23319), had left the company on October 14, 2009 and would be replaced by Deanna M. Martin who had been hired on November 16, 2009.
- H. On November 16, 2009, Deanna M. Martin did not hold an active loan officer license. Ms. Martin once held loan officer license 020724 but said license was cancelled in 2007 when she failed to renew that license.
- I. Ms. Martin applied for a new license in March of 2009, but that application was denied for failure to meet the licensing criteria.
- J. Ms. Martin applied again for a new license in April of 2010 and that application remains pending.
- K. Ms. Martin is not a licensed loan officer. Therefore, Ms. Martin is ineligible to be designated as Respondent's operations manager.
- L. Respondent has failed to designate a new operations manager pursuant to R.C. 1322.04(E) and Ohio Admin. Code 1301: 8-7-12(I).

As a result of the findings listed above, the Division has determined that:

- 1. Respondent's designated operations manager, Ms. Martin, does not hold an active loan officer license.
- 2. Because Ms. Martin does not hold an active loan officer license, she is ineligible to service as Respondent's operations manager pursuant to Ohio Admin. Code 1301: 8-7-12(N).
- 3. Respondent failed to designate a new operations manager in violation of R.C. 1322.04(E) and Ohio Admin. Code 1301: 8-7-12(I).
- 4. Because Respondent does not have an operations manager, it is in violation of R.C. 1322.04(E) and the Division is authorized to refuse to renew Respondent's mortgage broker certificate of registration pursuant to R.C. 1322.10(A)(1)(a).

WHEREAS, Respondent admits the allegations of the Division's May 7, 2010 Notice.

NOW THEREFORE, in consideration of the foregoing and the mutual promises set forth herein, the parties agree to the following:

- 1) The parties acknowledge and agree to the accuracy of the foregoing recitals.
- 2) Respondent acknowledges lawful service and receipt of the Notice, and stipulates to the jurisdiction of the Division in this matter.
- 3) Respondent has been advised by the Division to seek legal counsel if it has any questions concerning the terms and/or effect of this Settlement and Consent Order ("Order").

- 4) In lieu of refusing to renew its certificate of registration, Respondent agrees to pay a fine for the violations of law described herein in the amount of Thirty Thousand Dollars (\$30,000.00) as set forth in this Order. Respondent's payment of the fine also resolves its liability for violations related to the unlicensed loan origination/officer activity of Deanna M. Martin (LO.020724).
- 5) The Division shall terminate its Notice issued May 7, 2010, and agrees that it shall not, as long as Respondent is in compliance with this Order, pursue the matters set forth the Notice through its administrative process. The Division agrees that it will not initiate or pursue criminal or additional civil liability in any venue as a result of the conduct of Respondent as cited in the allegations and findings.
- 6) Should the Division discover that Respondent has provided any false, fraudulent, misleading, or incomplete information or statement(s) pertaining to its involvement in the allegations contained in the Notice and this Order, 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 Ohio Mortgage Broker Act.
- 7) The parties agree that the terms of this Order bind the parties hereto, and their shareholders, partners, members, assignees, and successors in interest.
- 8) Respondent releases the Division, 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.
- 9) Respondent hereby agrees to forego its administrative remedies, and waive any and all rights to an administrative hearing, as well as any right to appeal this matter or Order.
- 10) This Order represents a compromise between the parties for the full, complete, and final settlement of all of their claims, differences, and causes of action with respect to the allegations contained in the Notice and Respondent's liability for violations related to the unlicensed loan origination/officer activity of Deanna M. Martin (LO.020724).
- 11) Nothing in this Settlement and Consent Order shall be deemed to prevent the Division or its employees, agents, or assignees from participating in, as a witness or otherwise, any lawful action by another, or obeying any lawful court order, arising out of or related to the matters set forth in the Notice.
- 12) This Order 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.
- 13) This Order contains the entire agreement between the parties as to the matters set forth herein and no promises, conditions or obligations, either expressed or implied, other than those set forth herein, shall be binding on either party.



## COMPANY RESOLUTION

(To be adopted by all companies for the purpose of demonstrating that the person signing documents and forms filed with, or submitted to, the Division of Financial Institutions, Consumer Finance Section, has the company's authority to sign on behalf of the company. *NOTE: it is not necessary for sole proprietors to submit a company resolution.*)

MFC Mortgage, Inc. of Florida

(Name of Company)

AT A MEETING OF ITS Board of Directors HELD AT Pittsburgh, PA  
(members, partners, managers, trustees or board of directors)  
ON THE 3rd DAY OF June, 20 10, PURSUANT TO LAWFUL NOTICE OR

WAIVER THEREOF, and at which meeting a quorum for the transaction of business was present, the following was duly adopted:

"BE IT RESOLVED, that Richard A. Norris, President  
(Name of Individual and Company Title)

or \_\_\_\_\_  
(Name of Individual and Company Title)

Of MFC Mortgage, Inc. of Florida  
(Name of Company)

Be authorized and directed by the Company's members, partners, managers, trustees or board of directors, to execute and submit filings and forms for, and all acts amendatory thereof and supplemental thereto, the Company, to the Division of Financial Institutions."

## CERTIFICATION

The undersigned hereby certifies that he/she is the \_\_\_\_\_ Secretary of MFC Mortgage, Inc. of Florida, a company organized and existing under the laws of the State of Florida; that the foregoing is a true and correct copy of a resolution duly adopted at a meeting of the members, partners, managers, trustees or board of directors of the company held on 3rd day of June, 20 10, at which meeting a quorum was at all times present and acting; that the passage of said resolution was in all respects legal and that said resolution is in full force and effect.

By [Signature]  
(Company Secretary - Signature)

Date 6-4-10

Company Seal