

SETTLEMENT AGREEMENT

#009246-2002CE

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."

CHECK NO.

519980683

AMOUNT

\$500.-

DATE

SEP 24 2004

REC. BY

[Signature]

&

Mr. Kenneth S. Freeman
420 Saint Lager
Akron, OH 44306

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 2002 calendar year. That license was cancelled because Respondent failed to pass the loan officer license examination. On April 27, 2004 Respondent submitted a new application for a loan officer license; the April 27th application 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 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's character and general fitness command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of the OMBA.

*CFI entered
9/24/04
[Signature]*

- 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 2002 calendar year.
- D. Respondent admits that he failed to complete the required CE credit hours for the 2002 calendar year.
- E. Because Respondent failed to comply with R.C. 1322.052, DFI has the authority to refuse to issue Respondent a new loan officer license.
- F. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's application for a loan officer license on the basis of Respondent's admitted 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 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 violations 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 hours of approved CE, which shall be applied toward the 2002 calendar year. The CE certificates of completion are attached to this settlement agreement.
3. Respondent understands and agrees that the six (6) hours of CE credits earned are to be applied only to Respondent's 2002 CE requirement; these credits cannot be applied to Respondent's 2004 CE requirement, which must be completed by December 31, 2004.
4. 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 2002 CE requirement of the OMBA, and that Respondent has been penalized in the form of a fine for this violation.

5. If Respondent properly files this Agreement and fully complies with every provision, DFI agrees to execute the same, to approve Respondent's application, and to issue Respondent a loan officer license.
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. Respondent further agrees that such discovery is grounds for permanent revocation of its loan officer license.
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 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.

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 loan officer:

Kenneth S. Freeman

SIGNATURE of loan officer:

[Signature] 9/23/04
Date

[Signature]
ROBERT M. GRIESER

9/23/04
DATE

Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

[Signature]
AMANDA M. AXTELL

DATE

Consumer Finance Legal Counsel
Ohio Division of Financial Institutions

[Signature]
RIENE C. ROSZAK

10/22/04
DATE

Continuing Education Coordinator
Ohio Division of Financial Institutions

**HONDROS
COLLEGE***Mortgage Broker Continuing Education
Certificate of Attendance*kenneth freeman

Attendee

Loan Officer/Operations Manager Number

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COLLEGE***Mortgage Broker Continuing Education
Certificate of Attendance*kenneth freeman

Attendee

Loan Officer/Operations Manager Number

2383 issaquah cuyahoga falls, OH 44221

Address

*Awarded for successful completion of 3 credit hours of continuing education in the
following courses.**Course Title: Fair Lending Basics**We certify that these hours meet the requirements for Continuing Education under
Section 1322.052 of the Ohio Revised Code.*Linda Hondros

Linda Hondros, Verifier

9/24/2004

Date of Issuance

*Hondros College - 4140 Executive Parkway - Westerville, Ohio 43081***APPLY TO 2002****HONDROS
COLLEGE***Mortgage Broker Continuing Education
Certificate of Attendance*kenneth freeman

Attendee

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Linda Hondros, Verifier

9/24/2004

Date of Issuance

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