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STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120

In the matter of:

JEFFREY C. BROWN
12093 Kilbride Drive
Cincinnati, Ohio 45251

) Case No. 07-135LOF
)
) **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, Jeffrey C. Brown ("Respondent") is an individual that holds active loan officer license (LO# 005416) issued by the Division pursuant to R.C. Chapter 1322. The Respondent's address of record is 12093 Kilbride Drive, Cincinnati, Ohio 45251, his date of birth is September 9, 1970. Respondent's employer of record was Allied Home Mortgage Capital Corporation whose main office operates under certificate of registration number MB 802696; and

WHEREAS, on March 26, 2007, the Division sent via certified mail a Notice of Intent to Impose a Fine and Notice of Opportunity for a Hearing ("the Notice") to Respondent which mailed Notice was received by and served upon Respondent; and

WHEREAS, the Notice contained allegations that:

1. Respondent originated a mortgage loan for David Landry to purchase a home in 2004 for \$85,000.00. Respondent made loan disclosures to Mr. Landry on March 3, 2004. On March 3, 2004, in connection with that loan, Respondent requested an estimated property value of \$91,000.00 from appraisal company Recon, Inc.
2. Sometime between March 3, 2004 and March 10, 2004, Mr. Landry and the seller executed a new real estate purchase contract that increased the purchase price from \$85,000.00 to \$91,000.00.
3. Respondent admitted that he explained to Mr. Landry how to "stack" closing costs but denied he had any further involvement related to increasing the real estate purchase contract price from \$85,000.00 to \$91,000.00. The Division has reason to believe that this claim is false. This false claim was made by the Respondent to the Division in the course of its investigation.

4. R.C. 1322.027 states in part: "No person, in connection with any examination or investigation conducted by the superintendent of financial institutions under section 1322.01 to 1322.12 of the revised code, shall knowingly do either of the following: (A) Circumvent, interfere with, obstruct, or fail to cooperate, including making a false or misleading statement, failing to produce records or intimidating or suborning any witness."
5. It is the Division's belief that Respondent violated 1322.027 by knowingly making false or misleading statements in connection with an investigation conducted by the superintendent of financial institutions under R.C. 1322.01 to 1322.12.
6. R.C. 1322.10(A)(2) authorizes the superintendent of financial institutions, after notice and opportunity for a hearing in accordance with Chapter 119, to impose a fine if the superintendent finds a violation of or failure 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 under a certificate of registration.

WHEREAS, Respondent denies the allegations of the Division, but so as to avoid the cost and uncertainty of litigation Respondent and the Division agree to enter into this Consent Order for purposes of settlement.

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

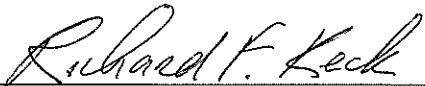
- 1) This Settlement and Consent Order represents a compromise between the parties for the full, complete, and final settlement of all of their claims, differences, and causes of action with respect to the allegations contained in the Notice. Nothing in this Consent Order shall be construed as an admission of liability by Respondent.
- 2) The parties agree that the terms of this Settlement and Consent Order bind the parties hereto, and their successors in interest.
- 3) The parties agree that Respondent shall pay the Division an administrative fee of Two Thousand Dollars (\$2,000.00). In the future, Respondent shall comply with the provisions of Chapter 1322 and the rules adopted thereunder.
- 4) The Division shall terminate the Notice of Intent to Impose a Fine & Notice of Opportunity for a Hearing issued March 26, 2007, and agrees that it shall not, as long as Respondent is in compliance with this Settlement and Consent Order pursue the matters set forth in such Notice through its administrative process. Nothing, however, in this order shall be deemed to prevent the Division from taking action to enforce any breach of this order or to prevent the Division or its employees, agents, or assigns 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.

- 5) Respondent acknowledges lawful service and receipt of the Notice, and stipulates to the jurisdiction of the Division in this matter.
- 6) The Respondent hereby agrees to forego his administrative remedies, withdraw his request for a hearing and waive any and all rights to an administrative hearing, as well as any right to appeal this matter or order.
- 7) This Settlement and Consent Order shall be effective on the date it is signed by the Superintendent of the Division of Financial Institutions or his designee and on such date it will become a final order.
- 8) This Settlement and Consent 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.

For purposes of effecting this Settlement and Consent Order, it is hereby ORDERED and DECREED that:

- A. The parties to this Settlement and Consent Order shall abide by the terms of this order as agreed.
- B. Respondent is hereby assessed an administrative fee in the amount of Two Thousand (\$2,000.00). Respondent shall pay the amount of Two Thousand Dollars (\$2,000.00) to the Consumer Finance Fund pursuant to R.C. § 1322.21 within ten days of the effective date of this Settlement and Consent Order. Payment shall be made by certified check or money order made payable to the Ohio Division of Financial Institutions delivered to the Division's counsel.
- C. The Division hereby terminates the Notice of Intent to Impose a Fine and Notice of Opportunity of Hearing issued March 26, 2007. Nothing shall prevent the Division, in the future, from taking any administrative or other action against Respondent for matters not addressed in this order.


Richard F. Keck
Acting Deputy Superintendent of Consumer Finance

7/23/07
Date

Approved and Agreed


Jeffrey C. Brown

6/30/2007
Date

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