

SETTLEMENT AGREEMENT

MB# 803716

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

and

HOME MORTGAGE LENDING, LLC

353 Elm Street, Suite B
Perrysburg, OH 43551

07 MAR 12 AM 9:00

The Division of Financial Institutions ("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."). Home Mortgage Lending, LLC ("Respondent") is an Ohio registered limited liability corporation that has applied for a certificate of registration so that it may engage in business as a mortgage broker pursuant to R.C. Chapter 1322. The registration 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.

This Settlement Agreement contains the entire Settlement Agreement between the parties. There is no other Settlement Agreement of any kind, verbal or otherwise, on the issues considered herein, which varies the terms of the Settlement Agreement.

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 1322.04 to issue a certificate of registration if DFI finds, among other things, that the registrant has complied with R.C. sections 1322.01 to 1322.12, the Ohio Mortgage Broker Act.
- B. DFI is authorized by R.C. 1322.10(A)(1)(a) to refuse to renew an applicant's mortgage broker certificate of registration if DFI finds that the applicant 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 under a certificate of registration[.]"

- C. R.C. 1322.02(A)(1) dictates that "[n]o person... shall act as a mortgage broker without first having obtained a certificate of registration from the superintendent of financial institutions for every office to be maintained by the person for the transaction of business as a mortgage broker in this state."
- D. Respondent admits that it violated R.C. 1322.02(A)(1) in December 2006 by closing two loans while its application for a certificate of registration was pending.
- E. Because Respondent failed to comply with R.C. 1322.02(A)(1), DFI has the authority to refuse to issue Respondent a mortgage broker certificate of registration.
- F. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's application for a mortgage broker certificate of registration 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 understands and agrees that by executing this Settlement Agreement, Respondent admits that it has violated R.C. 1322.02(A)(1) by acting as a mortgage broker without first having received a certificate of registration, and that Respondent has been penalized in the form of a fine for this violation.
3. Respondent understands that for this Settlement Agreement to be considered for acceptance by DFI, the ORIGINAL properly executed Settlement Agreement, with all pages attached, and the a cashier's check or money order for the dollar amount listed above must be received in the offices of DFI on or before March 16, 2007. Should Respondent fully comply with every provision of this Agreement, DFI agrees to execute the same and approve Respondent's mortgage broker certificate of registration application provided there are no remaining deficiencies.
4. 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 denial of its mortgage broker certificate of registration.

5. 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 it has been advised by DFI to seek legal counsel if it 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 Settlement Agreement must be signed by: the owner if the mortgage broker is a sole proprietor; all partners if the licensee is a partnership; at least one member if a limited liability company; and the president and secretary, as duly authorized by resolution of the board of directors, if the licensee is a corporation. **The ORIGINAL, signed Agreement with all pages attached must be returned. Keep a copy for your records.**

PRINTED Name and Title of Authorized Signor #1: Elizabeth Terwilliger, Owner

SIGNATURE of Authorized Signor #1 [Signature]

3-8-07

Date

PRINTED Name and Title of Authorized Signor #2: _____

SIGNATURE of Authorized Signor #2: _____

Date

3/15/07
RICHARD F. KECK
Acting Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions
Date

3/12/2007
ANTHONY D. SICILIANO
Consumer Finance General Counsel
Ohio Division of Financial Institution
Date