

# SETTLEMENT AGREEMENT

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, 21<sup>st</sup> Floor  
Columbus, OH 43215-6120

Hereinafter referred to as "DFI."

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Walsh Investment & Management Consultants, Inc.

dba Dedicated Mortgage Group

431 Ohio Pike, Suite 311

Cincinnati, OH 45255

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 a mortgage broker that holds a certificate of Registration issued by DFI to engage in business as a mortgage broker pursuant to R.C. 1322.

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. On or about December 13, 2005 the Division received a loan officer transfer application for loan officer Holly M. Niemeier requesting her license be transferred from Arastar Lending to her new employer, Respondent, Dedicated Mortgage Group, 431 Ohio Pike Suite 311, Cincinnati, OH 45255. The application listed the effective date of new employment as November 1, 2005.

- B. R.C. 1322.031(E)(2) states: "[t]he licensee may request the transfer of the license to another mortgage broker by submitting a relocation application, along with a fifteen dollar fee, to the superintendent... Any licensee whose license is held in escrow shall cease activity as a loan officer. A mortgage broker may employ a loan officer on a temporary basis pending the transfer of the loan officer's license to the mortgage broker, if the mortgage broker receives written confirmation from the superintendent that the loan officer is licensed under sections 1322.01 to 1322.12 of the Revised Code."
- C. Respondent has provided to the Division documentation that Holly Niemeier has originated and closed two loans subject to the Ohio Mortgage Broker Act. During a Division examination, the examiner noted that Holly Niemeier had taken 18 loan applications involving either Ohioans or Ohio property.
- D. By allowing Holly Niemeier to take loan applications from consumers and to originate loans without a properly transferred license or without first obtaining the requisite written confirmation from the superintendent to originate loans for Dedicated Mortgage Group, Respondent has violated R.C. 1322.031(E)(2).
- E. R.C. 1322.07(C) prohibits registrants from engaging in conduct that constitutes improper, fraudulent, or dishonest dealings.
- F. By allowing loan officer Holly Niemeier to act as a loan officer without first obtaining a license to work for Respondent, Respondent engaged in conduct that constitutes improper, fraudulent, or dishonest dealings in violation of R.C. 1322.07(C).
- G. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to revoke or suspend Respondent's mortgage broker certificate of registration on the basis of Respondent's admitted violations and noncompliance with the OMBA.
- H. 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 thousand dollars (\$5,000.00). 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 if Respondent fails to follow any term of this Settlement Agreement or any filing instruction, DFI may reject the Settlement Agreement and initiate formal proceedings under R.C. Chapter 119 to revoke or suspend Respondent's mortgage broker certificate of registration.
3. 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 July 7, 2006.
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 revocation 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. 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 registrant is a sole proprietor; all partners if the registrant 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 registrant is a corporation. **The ORIGINAL, signed Agreement with all pages attached must be returned. Keep a copy for your records.**

PRINTED Name of authorized signor #1:

SIGNATURE of authorized signor #1:

*Kevin P. Walsh*  
*Kevin P. Walsh*

Date 7/5/06

Date 7/5/06

PRINTED Name of authorized signor #2:

SIGNATURE of authorized signor #2:

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\_\_\_\_\_

Date

Date

PRINTED Name of authorized signor #3:

SIGNATURE of authorized signor #3:

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\_\_\_\_\_

Date

Date

PRINTED Name of authorized signor #4:

SIGNATURE of authorized signor #4:

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\_\_\_\_\_

Date

Date

*Robert M. Grieser* 7/10/06  
ROBERT M. GRIESER DATE  
Deputy Superintendent for Consumer Finance  
Ohio Division of Financial Institutions

*Martha S. Palazij* 7/10/06  
MARTHA S. PALAZIJ DATE  
Consumer Finance Staff Attorney  
Ohio Division of Financial Institutions