

Ted Strickland  
Governor

**STATE OF OHIO**  
**DEPARTMENT OF COMMERCE**  
**Division of Financial Institutions**  
**Consumer Finance**

Kimberly A. Zurz  
Director

In the matter of:

**ALOYSIUS J. HUMBERT, JR.**  
9945 Beech Drive  
Cincinnati, Ohio 45231

)  
) Case No. M2009-336  
)  
) **SETTLEMENT AND CONSENT ORDER**  
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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, Aloysius Humbert, Jr. ("Respondent") holds a loan officer license, LO 2238, to engage in business as a loan officer under the Ohio Mortgage Broker Act pursuant to R.C. Chapter 1322. His address of record is 9945 Beech Drive, Cincinnati, Ohio 45231. Aloysius Humbert, Jr. is the owner and operations manager of Humbert Mortgage, Inc.; and

WHEREAS, on or about April 6, 2009 the Division issued Respondent a Notice of Intent to Revoke Loan Officer License & Notice of Opportunity for a Hearing ("Notice"). A hearing was scheduled for Thursday, May 14, 2009, continued to Wednesday, June 3, 2009, and continued again to June 17, 2009. On or about April 6, 2009, the Division issued Humbert Mortgage, Inc. a Notice of Intent to Revoke Certificate of Registration & Notice of Opportunity for a Hearing, Case No. M2008-531. The hearing for Humbert Mortgage, Inc.'s mortgage broker certificate of registration was also scheduled for Thursday, May 14, 2009, continued to Wednesday, June 3, 2009, and continued again to June 17, 2009;

WHEREAS, the Notice contained allegations and findings that:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to revoke a loan officer license if the Division finds that the licensee has violated or failed 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.
- B. Respondent is the owner and Operations Manager of Humbert Mortgage, Inc. Respondent is also the owner of Humbert Mortgage Servicing, LLC.
- C. On or about July 28, 2005, the Division issued Humbert Mortgage, Inc. a Notice of Intent to Assess Fine and Revoke Mortgage Broker Certificate of Registration & Notice of Opportunity for a Hearing due to violations found during the Division's examination of Humbert Mortgage, Inc. on or about June 20 and June 21, 2005.
- D. Among violations found during the Division's 2005 examination of Humbert Mortgage, Inc. cited in the Division's 2005 Notice was that Humbert Mortgage, Inc. lent money

secured by mortgages on real estate that constituted liens on property that were other than first liens. R.C. 1321.52(A) prohibits persons from advertising, soliciting, or holding out that the person is engaged in the business of making loans secured by a mortgage on a borrower's real estate which is other than a first lien on the real estate or engaging in the business of lending or collecting that person's own or another person's money, credit, or choses in action for such loans unless the person holds a certificate of registration under the Ohio Mortgage Loan Act. Neither Aloysius Humbert, Humbert Mortgage, Inc., or Humbert Mortgage Servicing, LLC was previously issued a certificate of registration under the Ohio Mortgage Loan Act. R.C. 1322.07(C) prohibits mortgage brokers, registrants, licensees, applicants for a certificate of registration or a license from engaging in conduct that constitutes improper, fraudulent, or dishonest dealings. The Division found that by making second mortgages without a proper certificate of registration Humbert Mortgage Inc. violated R.C. 1322.07(C) by engaging in improper dealings.

- E. Humbert Mortgage Servicing, LLC applied for a certificate of registration under the Ohio Mortgage Loan Act on or about August 5, 2005. Because Humbert Mortgage Servicing, LLC failed to respond to a deficiency letter from the Division, the application was withdrawn pursuant to R.C. 1321.53(A)(3) on September 28, 2007.
- F. On March 26, 2007, Humbert Mortgage, Inc. entered into a Settlement Agreement with the Division whereby the Respondent agreed to pay the Division a fine of \$25,000. The Settlement Agreement, which was signed by Aloysius Humbert, Respondent, the owner of both Humbert Mortgage, Inc. and Humbert Mortgage Servicing, LLC, stated in part, "[Humbert Mortgage, Inc.] and Humbert Servicing each agree that it will not make or service any second mortgage loan under the Ohio Mortgage Loan Act for which it is not certified by the Division."
- G. On April 21, 2008 and April 22, 2008, the Division conducted an examination of Humbert Mortgage, Inc. Upon the Division examiner's request, Aloysius Humbert provided to the Division examiner ledgers documenting payments on the second mortgages that were originated on or before 2005. Since Humbert Mortgage, Inc., Humbert Mortgage Servicing, LLC, and/or Aloysius Humbert are collecting payments for loans constituting liens other than first liens on real estate, Humbert Mortgage, Inc., Humbert Mortgage Servicing, LLC, and/or Aloysius Humbert have violated R.C. 1321.52(A)(1)(b).
- H. Respondent, by signing and entering into the Settlement Agreement with the Division on March 26, 2007 and allowing an entity of which he is an owner to violate the Settlement Agreement and R.C. 1321.52(A)(1)(b), has violated R.C. 1322.07(C).
- I. R.C. 1322.041(A)(6) lists as a requirement for a loan officer license under the Ohio Mortgage Broker Act; "[t]he 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 sections 1322.01 to 1322.12 of the Revised Code."

- J. Since Respondent violated R.C. 1322.07(C), 1321.52(A), and the terms of the Settlement Agreement entered into with the Division on March 26, 2007, he no longer has the requisite character and fitness to be licensed as a loan officer.
- K. Because Respondent violated R.C. 1322.07(C), Respondent's loan officer license should be revoked pursuant to R.C. 1322.10(A)(1)(a).

WHEREAS, Respondent Aloysius Humbert, Jr. denies the Division's allegations, and further, to avoid the cost and uncertainty of litigation Respondent agrees 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. The parties acknowledge and agree to the accuracy of the foregoing recitals.
- 2. The parties agree that the terms of this Settlement and Consent Order bind the parties hereto, and their successors in interest.
- 3. Respondent acknowledges lawful service and receipt of the Notice of Intent to Revoke Loan Officer License and Notice of Opportunity for a Hearing issued to Respondent and stipulates to the jurisdiction of the Division in this matter.
- 4. 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 shall prevent the Division, in the future, from taking any administrative or other action against Respondent for matters not addressed in this Order.
- 5. The Respondent hereby agrees to forego his administrative remedies and waives any and all rights to an administrative hearing as well as any right to appeal this matter or order.
- 6. Nothing in this Order shall be deemed 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 these Notices.
- 7. This Settlement and Consent Order shall be effective on the date it is signed by the Deputy Superintendent of Consumer Finance 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.
- 9. Respondent releases the Division, its members, employees, agents, officers and representatives jointly and severally from any liability arising from the within matter. Respondent agrees not to seek attorney fees or other costs arising from the within matter.

10. Respondent agrees to relinquish or sell any and all interest or ownership in Humbert Mortgage, Inc. Respondent and/or Aloysius Humbert, Jr. shall provide a contract for sale or transfer of ownership of Humbert Mortgage, Inc. to the Division on or before the date this Settlement Agreement and Consent Order becomes final. The transfer in ownership interest of Humbert Mortgage, Inc. shall be completed on or before 60 days after the date this Settlement and Consent Order becomes final.
11. Respondent shall cease performing the duties of Operations Manager for Humbert Mortgage, Inc. on or before the date this Settlement and Consent Order becomes final. Aloysius Humbert, Jr. shall cease performing management duties for Humbert Mortgage, Inc. at the time of transfer of ownership of Humbert Mortgage, Inc.
12. The transfer of ownership interest or control in Humbert Mortgage, Inc. as well as the change in Operations Manager is subject to the Division's approval, pursuant to the Ohio Mortgage Broker Act and the applicable regulations.
13. Respondent represents that other than the mortgage loans held by and serviced by Humbert Mortgage, Inc. and/or Humbert Mortgage, Inc. profit sharing plan, neither Respondent nor any entity of which Respondent holds more than 5% interest holds or services mortgage loans which constitute a lien other than a first lien on real estate in Ohio.
14. This Settlement and Consent Order is contingent on the simultaneous execution of the Settlement Agreement and Consent Order in Case Number M2008-531, In re Humbert Mortgage, Inc.

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. The Notice of Intent to Revoke Loan Officer License of Aloysius Humbert, Jr. issued April 6, 2009 is hereby terminated.
- C. Respondent shall abide by the Ohio Mortgage Broker Act, R.C. 1322.01 et. seq. and the Ohio Mortgage Loan Act, R.C. 1321.51 et. seq. and the rules thereunder.

LEIGH A. WILLIS  
Deputy Superintendent for Consumer Finance  
Division of Financial Institutions

Approved and Agreed:

Aloysius Humbert, Jr.

6/15/09  
Date

June 10, 2009  
Date

