

CONSENT AGREEMENT

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

&

ELDRIDGE MORTGAGE COMPANY, INC.

3613 Lee Road
Shaker Heights, OH 44120

This Consent Agreement is entered into by and between Eldridge Mortgage Company, Inc. and the Ohio Division of Financial Institutions ("DFI"), a state agency charged with enforcing the Ohio Mortgage Broker Act ("OMBA"), codified in Chapter 1322 of the Ohio Revised Code ("R.C.").

Eldridge Mortgage Company, Inc. enters into this Consent Agreement being fully informed of its rights under R.C. Chapter 119, including the right to representation by counsel and the right to a formal adjudicative hearing on the issues considered herein. Eldridge Mortgage Company is represented in this agreement by its President Edward J. Eldridge. Cheryl C. Pritchard-McCauley ("McCauley") represents her own interests in this Agreement as an employee of Eldridge who has applied to the Division to be appointed as the company's operations manager.

BASIS FOR ACTION

This Consent Agreement is entered into on the basis of the following stipulations, admissions and understandings:

- A. DFI is empowered to refuse to issue an applicant a mortgage broker certificate of registration if DFI finds that the person designated as the applicant's operations manager has pleaded guilty to or has been convicted of any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities. R.C. 1322.03(A)(7), R.C. 1322.04(A)(7), and R.C. 1322.10(A).
- B. DFI is authorized to grant a certificate of registration to an applicant who has appointed a person who has pleaded guilty to or has been convicted of one of the crimes listed above as the applicant's operations manager, if the applicant has proven to DFI, by a preponderance of the evidence, that the proposed operations manager's activities and employment record since the conviction

show that the proposed operations manager is honest, truthful, and of good reputation, and there is no basis in fact for believing that he/she will commit such an offense again. R.C. 1322.04(A)(7).

- C. DFI enters into this Consent Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Eldridge Mortgage Company a mortgage broker certificate of registration. DFI expressly reserves the right to institute formal proceedings based upon any violation of the OMBA, whether occurring before or after the effective date of this Agreement.
- D. Eldridge Mortgage Company has submitted a renewal application for a mortgage broker certificate of registration; that application remains pending.
- E. Eldridge Mortgage Company has designated Cheryl McCauley as the company's operations manager.
- F. Eldridge Mortgage Company and McCauley admit that in or around 1983, McCauley was convicted of theft and that DFI is therefore empowered to refuse to issue the company a mortgage broker certificate of registration.
- G. As proof that McCauley is honest, trustworthy, and that there is no basis in fact for DFI to believe that she would commit such a crime again, Eldridge Mortgage Company and McCauley submit the following:

McCauley admits that she did commit the crime for which she was convicted, namely theft. It has been nearly twenty years since her misdemeanor conviction. McCauley has not been convicted of or pleaded guilty to any other criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities.

Since her conviction, McCauley has been employed in several positions where she was required to handle merchandise and cash. There was never a problem with her handling of these items. McCauley has also become a mother of two who strives to be a positive role model for them.

Letters of reference, which testify to McCauley's upstanding character, have also been submitted.

- H. Based upon the statements and/or representations made by McCauley and Eldridge Mortgage Company, DFI finds that McCauley has proven, by a

preponderance of the evidence, that her activities and employment record since her conviction shows that she is honest, truthful, and of good reputation, and that there is no basis in fact for believing that she will commit such an offense again.

AGREED CONDITIONS

Wherefore, in consideration of the foregoing and mutual promises hereinafter set forth, and in lieu of any formal proceedings at this time, Eldridge Mortgage Company and McCauley knowingly and voluntarily agree with DFI to the following terms, conditions and limitations:

1. DFI shall approve of Eldridge Mortgage Company's designation of Cheryl C. Pritchard-McCauley as the company's operations manager, and DFI shall grant Eldridge Mortgage Company a mortgage broker certificate of registration.
2. Should DFI discover that Eldridge Mortgage Company and/or McCauley provided DFI with false, fraudulent, or misleading information in regards to the certificate of registration application or the information contained in or referenced to in this Consent Agreement, Eldridge Mortgage Company agrees that such evidence firmly establishes that the company's character and general fitness do not command the confidence of the public and warrant the belief that the company will conduct business honestly and fairly in compliance with the purposes of the OMBA. Eldridge Mortgage Company further agrees that such discovery is grounds for permanent revocation of its certificate of registration.

The above-described terms, conditions and limitations may be amended or terminated in writing at any time upon the agreement of both parties.

FAILURE TO COMPLY

If, in the discretion of DFI, Eldridge Mortgage Company and/or McCauley appear to have violated or breached any term or condition of this Consent 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 the laws of Ohio occurring before the effective date of this Consent Agreement.

ACKNOWLEDGMENTS/LIABILITY RELEASE

Eldridge Mortgage Company and Cheryl C. Pritchard-McCauley acknowledge that they have had an opportunity to ask questions concerning the terms of this Consent Agreement and that all questions asked have been answered in a satisfactory manner.

CONSENT AGREEMENT
Eldridge Mortgage Company Inc.

Eldridge Mortgage Company and Cheryl C. Pritchard-McCauley hereby release DFI, its members, employees, agents, officers and representatives jointly and severally from any and all liability arising from the within matter.

This Consent 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.

EFFECTIVE DATE

It is expressly understood that this Consent Agreement shall become effective upon the last date of signature below.

_____ EDWARD J. ELDRIDGE President Eldridge Mortgage Company, Inc.	8/26/2003 Date	_____ CHERYL C. PRITCHARD-McCAULEY Date	8/26/03
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_____ ROBERT M. GRIESER Deputy Superintendent for Consumer Finance Ohio Division of Financial Institutions	8/27/03 Date
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_____ AMANDA M. AXTELL Attorney Examiner for Consumer Finance Ohio Division of Financial Institutions	8/26/03 Date
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_____ Luanna J. GRIELEN Examiner	8/26/03
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