

SETTLEMENT AGREEMENT

024292.002

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

ADAM J. CASBARRO

2787 Hutson Lane
Hilliard, OH 43026

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."). Adam J. Casbarro ("Applicant") is an individual who has applied with the Division for a loan officer license pursuant to R.C. Chapter 1322, which remains pending.

Applicant 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. 1322.041 to issue a loan officer license if DFI finds, among other things, that the applicant has complied with R.C. sections 1322.01 to 1322.12, the OMBA.
- B. DFI is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license 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. 1322.07(A) prohibits an applicant from obtaining a "license through any false or fraudulent representation of a material fact or any omission of a material fact required by

state law, or make any substantial misrepresentation in any registration or license application.”

- D. On or about June 16, 2009, in Case No. M2009-100, the Division issued an Order denying Applicant’s first 2009 loan officer license application.
- E. On or about October 8, 2009, Applicant submitted a second 2009 application for a loan officer license pursuant to R.C. Chapter 1322.
- F. Loan officer application Question Number Eight (8) asked “Have you ever had any type of approval or application to conduct business (such as a license or certificate or authority) denied, revoked, suspended, or refused to be renewed; or have you ever been fined by any state or federal regulatory authority or court in relation to any claim of misconduct in a business transaction?” Applicant answered “Yes,” and disclosed by attaching a *Settlement and Consent Order* entered on October 15, 2007 in Case No. 06-3333. However, applicant failed to disclose the June 16, 2009 denial of his first 2009 loan officer license application. Therefore, Applicant made a false or fraudulent representation of a material fact or an omission of a material fact required by state law, or making a substantial misrepresentation in a license application in violation of R.C. 1322.07(A).
- G. Because Applicant failed to comply with R.C. 1322.07(A), DFI has the authority to refuse to issue Applicant a loan officer license.
- H. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Applicant’s second 2009 application for loan officer license on the basis of Applicant’s admitted violations and noncompliance with the OMBA.
- I. 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, Applicant knowingly and voluntarily agrees with DFI to the following terms, conditions and limitations:

- 1. As penalty for the violation of law described herein, Applicant 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. Applicant understands that for this Settlement Agreement to be considered for acceptance by DFI, Applicant 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 **March 2, 2010**. Should Applicant fully comply with every provision of this Settlement Agreement, DFI agrees to execute the same, and approve Applicant’s second 2009 loan officer license application provided there are no remaining deficiencies with respect to that application
- 3. Should DFI discover that Applicant has provided DFI with false, fraudulent, misleading, or incomplete information pertaining to this Agreement, Applicant agrees that such evidence will firmly establish that Applicant’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.

4. 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, Applicant 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

Applicant acknowledges that he has been advised by DFI to seek legal counsel if he has any question concerning the terms and/or effect of this Settlement Agreement.

Applicant hereby releases DFI, its members, employees, agents, officers and representatives jointly and severally from any and all liability arising from the within matter. Applicant 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 Applicant 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 ORIGINAL, signed Agreement with all pages attached must be returned.
Keep a copy for your records.

PRINTED Name of Applicant: Adrian Casbarro

SIGNATURE of Applicant: _____

3/2/10
Date

3/4/10
Date
LEIGH A. WILLIS
Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

3/3/2010
Date
LORI A. MASSEY
Consumer Finance Attorney
Ohio Division of Financial Institution