

2008 NOV 25 PM 3:17

SETTLEMENT AGREEMENT & CONSENT ORDER

M2008-224

This Settlement Agreement & Consent Order 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

Hereinafter referred to as "DFI."

&

IRIS A. COOPER

**dba Pyramid Mortgage Company
5969 E. Livingston Avenue, Suite 110
Columbus, Ohio 43232**

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. Respondent is a sole proprietor that holds a certificate of registration issued by DFI to engage in business as a mortgage broker pursuant to R.C. Chapter 1322. After conducting an investigation, DFI discovered violations of the OMBA. On August 26, 2008, the Division issued its notice of intent to impose a fine against Respondent, and Respondent timely requested a hearing. In lieu of continuing with formal administrative proceedings, Respondent and DFI have moved to resolve all issues and violations by entering into this Settlement Agreement & Consent Order.

Respondent voluntarily enters into this Settlement Agreement & Consent Order being fully informed of its right to representation by counsel, and its right to reject this Settlement Agreement & Consent Order, and said rejection may result in the continuation of proceedings pursuant to R.C. Chapter 119 on the issues considered herein.

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

AGREEMENTS AND UNDERSTANDINGS

This Settlement Agreement & Consent Order is entered into on the basis of the following stipulations and understandings:

- A. DFI is authorized by R.C. 1322.10(A)(2) to “[i]mpose a fine of not more than one thousand dollars, for each day a violation of a law or rule is committed, repeated, or continued. If the registrant or licensee engages in a pattern of repeated violations of a law or rule, the superintendent may impose a fine of not more than two thousand dollars for each day the violation is committed, repeated, or continued.”
- B. Respondent admits that it violated R.C. 1322.06(B) and Ohio Administrative Code (“O.A.C.”) 1301:8-7-06(A) by failing to maintain records pertaining to business transacted pursuant to sections 1322.01 to 1322.12 of the Revised Code, including copies of all mortgage loan origination disclosure statements prepared in accordance with section 1322.062 of the Revised Code, for four years.
- C. Because of Respondent’s violations of law as outlined in paragraph B above, DFI has the authority to impose a fine.
- D. All parties enter into this Settlement Agreement & Consent Order in lieu of continuing with formal proceedings under R.C. Chapter 119.
- E. Respondent, for the violations of law listed in paragraph B, agrees to pay a fine of one thousand dollars (\$1,000.00). Payment of the fine 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 & Consent Order.
- F. Respondent agrees not to ever apply for any mortgage broker certificate of registration, loan officer license issued by the Division pursuant to R.C. 1322.01 to 1322.12 or 1321.51 to 1321.60 individually or as an owner, officer, director, shareholder, assignee, partner, member, sole proprietor, or successor in interest, of any corporation, partnership, limited liability company or sole proprietorship. Nor shall Respondent ever act as an independent contractor for any registrant or licensee of the Division.
- G. DFI terminates its notice of intent to impose a fine (case no. M2008-224) if Respondent complies with all of the terms and conditions of this Settlement Agreement & Consent Order.
- 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, on, or after the effective date of this Settlement Agreement & Consent Order.
- I. Respondent understands and agrees that if Respondent fails to follow any term of this Settlement Agreement & Consent Order or any filing instruction, DFI may reject the Settlement Agreement & Consent Order and continue with formal proceedings under R.C. Chapter 119.
- J. 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 and mortgage loan certificates of registration.

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

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 & Consent Order.

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 & Consent Order 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 & Consent Order in no way binds or limits actions DFI may take with respect to Respondent or any other person, individual, or company, for the same or similar future violations.

EFFECTIVE DATE

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

The Settlement Agreement & Consent Order 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 Settlement Agreement & Consent Order with all pages attached must be returned. Keep a copy for your records.**

PRINTED Name of authorized signor:

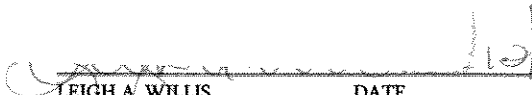
SIGNATURE of authorized signor:

IRIS A. Cooper 11/21/08
ate
11/21/08
Date

BRYAN STEWARD

DATE

Attorney for Respondent


LEIGH A. WILLIS

DATE

Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

12/1/08


JACQUELINE MALLET

DATE

Consumer Finance Attorney Examiner
Ohio Division of Financial Institutions

12/1/08