

SETTLEMENT AGREEMENT

029027

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

JAMES P. MITCHELL
9454 Meadow Trail
Loveland, OH 45140

2015 JUL 20 PM 3:23

The Division of Financial Institutions ("DFI") is a state agency charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act ("OMBA"), as codified in Chapter 1322 of the Ohio Revised Code ("R.C."). James P. Mitchell ("Respondent") is an individual that held a loan officer license during the 2007 calendar year. Respondent's license was cancelled in 2007 because he failed to renew. He re-applied for a loan originator license on or about February 26, 2010, and that application remains pending.

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. DFI is empowered by R.C. 1322.041 to issue a loan originator license if DFI finds, among other things, that the Respondent 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 originator license if DFI finds that the Respondent 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 a Respondent 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 November 14, 2008 in Case No. M2008-561, the Division issued an Order denying a loan officer license application Respondent had submitted in 2008.
- E. On or about February 26, 2010, Respondent submitted an application for a loan originator license pursuant to R.C. Chapter 1322.
- F. Question (I) of the loan originator license application asked "Has any State or federal regulatory agency or foreign financial regulatory authority ever: (6) denied or suspended your registration or license, disciplined you, or otherwise by order, prevented you from associating with a financial services-related business or restricted your activities?" Respondent answered "no," failing to disclose the November 14, 2008 denial of his 2008 loan officer license application. Therefore, Respondent made a false or fraudulent representation of a material fact or an omission of a material fact required by state law, or made a substantial misrepresentation in a license application in violation of R.C. 1322.07(A).
- G. R.C. 1322.052, as in effect in 2007, required every loan officer to complete at least six (6) hours of approved continuing education every calendar year (by December 31st).
- H. Respondent held a loan officer license during the 2007 calendar year.
- I. Respondent admits that he failed to complete the required CE credit hours for the 2007 calendar year.
- J. Because Respondent failed to comply with R.C. 1322.052 and violated R.C. 1322.07(A), DFI has the authority to refuse to issue Respondent a loan originator license.
- K. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to deny Respondent's application for a loan originator license on the basis of Respondent's admitted violations and noncompliance with the OMBA.
- L. 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, 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 one thousand dollars (\$1,000.00). Payment shall be in the form of a **cashier's check or money order**, made payable to "Treasurer of State," and shall be submitted to DFI with this Settlement Agreement.
- 2. Respondent agrees to complete six (6) hours of approved CE, which shall be applied toward the 2007 calendar year CE requirement. Respondent agrees to submit a copy of the

attendance certificate(s) issued by the CE Provider with this Settlement Agreement, and to write in **RED INK on the face of a copy of the attendance certificate(s)** "**PLEASE APPLY TO 2007 CE REQUIREMENT.**"

3. Respondent understands and agrees that the six (6) hours of CE credits earned are to be applied only to Respondent's 2007 CE requirement; these credits cannot be applied to Respondent's 2010 CE requirement, which must be completed by December 31, 2010.
4. Respondent understands and agrees that by executing this Settlement Agreement, Respondent admits that he has failed to comply with R.C. 1322.052 and violated R.C. 1322.07(A). Respondent understands that he has been penalized in the form of a fine for lack of compliance with and/or violation of these provisions.
5. 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 27, 2010**. Should Respondent fully comply with every provision of this Settlement Agreement, DFI agrees to execute the same, and approve Respondent's loan originator license application provided there are no remaining deficiencies with respect to that application.
6. 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 he will conduct business honestly and fairly in compliance with the purposes of the OMBA.
7. 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 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.

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. 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 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 ORIGINAL, signed Agreement with all pages attached must be returned.
Keep a copy for your records.**

PRINTED Name of Respondent: _____

James P. Mitchell

SIGNATURE of Respondent: _____

[Signature] 7/17/10
Date

LEIGH A. WILLIS

Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions

8/4/10
Date

DESIREE T. SHANNON

Consumer Finance Attorney
Ohio Division of Financial Institution

8-3-10
Date

**HONDROS
COLLEGE**

*Mortgage Broker Continuing Education
Certificate of Attendance*

James Mitchell

LO.029027.002

Attendee

Loan Officer/Operations Manager Number

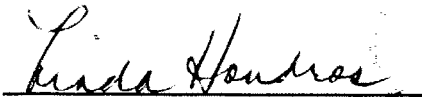
9454 meadow trail loveland, OH 45140

Address

*Awarded for successful completion of 3 credit hours of continuing education in the
following course.*

Course Title: Making FHA Loans

*We certify that these hours meet the requirements for Continuing Education under
Section 1322.052 of the Ohio Revised Code.*



Linda Hondros, Verifier

7/28/2010 09:27 PM EST

Date of Issuance

Hondros College 4140 Executive Parkway Westerville, Ohio 43081

**HONDROS
COLLEGE**

*Mortgage Broker Continuing Education
Certificate of Attendance*

James Mitchell

LO.029027.002

Attendee

Loan Officer/Operations Manager Number

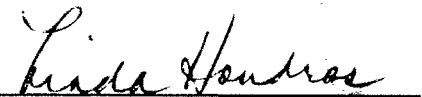
9454 meadow trail loveland, OH 45140

Address

*Awarded for successful completion of 3 credit hours of continuing education in the
following course.*

Course Title: Making FHA Loans

*We certify that these hours meet the requirements for Continuing Education under
Section 1322.052 of the Ohio Revised Code.*



Linda Hondros, Verifier

7/28/2010 09:27 PM EST

Date of Issuance

Hondros College 4140 Executive Parkway Westerville, Ohio 43081

**HONDROS
COLLEGE**

*Mortgage Broker Continuing Education
Certificate of Attendance*

James Mitchell

NMLS26710

Attendee

Loan Officer/Operations Manager Number


9454 meadow trail loveland, OH 45140

Address

*Awarded for successful completion of 3 credit hours of continuing education in the
following courses.*

Course Title: Foreclosures

*We certify that these hours meet the requirements for Continuing Education under
Section 1322.052 of the Ohio Revised Code.*



Linda Hondros, Verifier

7/29/2010

Date of Issuance

Hondros College 4140 Executive Parkway Westerville, Ohio 43081

**HONDROS
COLLEGE**

*Mortgage Broker Continuing Education
Certificate of Attendance*

James Mitchell

NMLS26710

Attendee

Loan Officer/Operations Manager Number


9454 meadow trail loveland, OH 45140

Address

*Awarded for successful completion of 3 credit hours of continuing education in the
following courses.*

Course Title: Foreclosures

*We certify that these hours meet the requirements for Continuing Education under
Section 1322.052 of the Ohio Revised Code.*



Linda Hondros, Verifier

7/29/2010

Date of Issuance

Hondros College 4140 Executive Parkway Westerville, Ohio 43081