

SETTLEMENT AGREEMENT

#05-0157-LOD

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

Hereinafter referred to as "DFI."

&

Rachelle L. Hartman
216 First Street
Findlay, Ohio 45840

Hereinafter referred to as "Respondent."

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#250.
FEB 13 2006

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."). Respondent is an individual that held a loan officer license during the 2002 calendar year. Respondent did not complete her 2002 continuing education requirement and as a result DFI, after giving notice and issuing an order based on the allegations contained in that notice, denied her 2003 loan officer license renewal application on May 18, 2004. Subsequent, on July 7, 2004, Respondent applied to DFI for a loan officer license and on August 25, 2005, DFI issued its notice of intent to deny her license based on the findings contained in the May 18, 2004 order. Pursuant to Chapter 119 of the Revised Code, Respondent requested a hearing on DFI's notice of August 25, 2005. The July 7, 2004 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 continue with a formal adjudicative hearing, pursuant to R.C. Chapter 119, on the issues considered herein.

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 an applicant a loan officer license if DFI finds, among other things, that the 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 the OMBA.

- B. R.C. 1322.052 requires every loan officer to complete at least six (6) hours of approved continuing education every calendar year (by December 31st).
- C. Respondent held a loan officer license during the 2002 calendar year.
- D. Respondent admits that she failed to complete the required CE credit hours for the 2002 calendar year.
- E. Because Respondent violated R.C. 1322.052 and for the additional reasons stated in DFI's notice of August 25, 2005, DFI has the authority to refuse to issue Respondent a loan officer license.
- F. DFI enters into this Settlement Agreement in lieu of continuing with formal proceedings under R.C. Chapter 119 to deny Respondent's application for a loan officer license on the basis of Respondent's admitted violations and noncompliance with the OMBA.
- G. 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 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 two hundred fifty dollars (\$250.00). 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. Respondent agrees to apply six (6) hours of continuing education earned on September 13, 2004 from the course titled "Originating and Processing FHA Loans" toward the 2002 calendar year CE requirement.
3. Respondent understands and agrees that by executing this Settlement Agreement, Respondent admits that she has violated R.C. Section 1322.052 by failing to complete the 2002 CE requirements of the OMBA, and that Respondent has been penalized in the form of a fine for this violation.

4. 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 February 10, 2006. Should Respondent fully comply with every provision of this agreement, DFI agrees to execute the same, terminate DFI's notice of August 25, 2005, approve Respondent's application, and issue Respondent a loan officer license.
5. Upon issuance of the loan officer license, Respondent's R.C. 119 hearing request in the matter of 05-0157-LOD is withdrawn.
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 she 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 her loan officer license.
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 she has been advised by DFI to seek legal counsel if she 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. 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:

Rachelle Hartman
Rachelle Hartman 2-9-06
Date

SIGNATURE of Respondent:

APPROVED VIA PHONE 2/14/06
MINDY WORLY
Assistant Attorney General
DATE

Robert M. Grieser 2/14/06
ROBERT M. GRIESER
Deputy Superintendent for Consumer Finance
Ohio Division of Financial Institutions
DATE

Mark L. Rhea 2/13/06
MARK L. RHEA
Consumer Finance Staff Attorney
Ohio Division of Financial Institutions
DATE