

# SETTLEMENT AGREEMENT

MB# 803975

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, 21<sup>st</sup> Floor  
Columbus, OH 43215-6120

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DIVISION OF FINANCIAL  
INSTITUTIONS  
2010 DEC 14 PM 12:31

and

WCS LENDING, LLC  
6501 Congress Avenue, 3<sup>rd</sup> Floor  
Boca Raton, FL 33487

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.”). WCS Lending, LLC (“Respondent”) is a foreign registered limited liability corporation that has applied for a certificate of registration so that it may engage in business as a mortgage broker pursuant to the OMBA. The registration 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. 1322.04 to issue a certificate of registration if DFI finds, among other things, that the registrant has complied with R.C. sections 1322.01 to 1322.12, the Ohio Mortgage Broker Act.
- B. DFI is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a mortgage broker certificate of registration 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, federal lending law, or any other law applicable to the business conducted under a certificate of registration[.]”
- C. R.C. 1322.02(A)(1) dictates that “[n]o person... shall act as a mortgage broker without first having obtained a certificate of registration from the superintendent of financial institutions

for every office to be maintained by the person for the transaction of business as a mortgage broker in this state.”

- D. Respondent admits that it violated R.C. 1322.02(A)(1) in 2010 by originating four residential mortgage loans without a certificate of registration.
- E. Because Respondent failed to comply with R.C. 1322.02(A)(1), DFI has the authority to refuse to issue Respondent a mortgage broker certificate of registration.
- F. DFI enters into this Settlement Agreement in lieu of formal proceedings under R.C. Chapter 119 to refuse to issue Respondent a mortgage broker certificate of registration 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 disciplinary proceedings at this time, Respondent knowingly and voluntarily agrees with DFI to the following terms, conditions and limitations:

- 1. As penalty for the violation of law described herein, Respondent agrees to pay a fine of two thousand dollars (\$2,000.00). 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 understands and agrees that by executing this Settlement Agreement, Respondent admits that it has violated R.C. 1322.02(A)(1) by acting as a mortgage broker without first having received a certificate of registration, and that Respondent has been penalized in the form of a fine for this violation.
- 3. Respondent understands that for this Settlement Agreement to be considered for acceptance by DFI, the ORIGINAL properly executed Settlement Agreement, with all pages attached, and a cashier’s check or money order for the dollar amount listed above must be received in the offices of DFI on or before **December 29, 2010**. Should Respondent fully comply with every provision of this Agreement, DFI agrees to execute the same and approve Respondent’s mortgage broker certificate of registration application provided there are no remaining deficiencies.
- 4. 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 denial of its mortgage broker certificate of registration.

5. 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 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.

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 Settlement Agreement must be signed by: the owner if the applicant is a sole proprietor; all partners if the applicant 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 applicant is a corporation. **The ORIGINAL, signed Agreement with all pages attached must be returned.** Keep a copy for your records.

PRINTED Name and Title of Authorized Signor #1: Carlos Cepeda Managing Partner

SIGNATURE of Authorized Signor #1: \_\_\_\_\_ 12/13/2010  
Date

PRINTED Name and Title of Authorized Signor #2: \_\_\_\_\_

SIGNATURE of Authorized Signor #2: \_\_\_\_\_  
Date

12-15-10  
CAROLYN L. BRADFORD Date  
Superintendent  
Ohio Division of Financial Institutions

12-14-10  
ANTHONY D. SICILIANO Date  
Consumer Finance General Counsel  
Ohio Division of Financial Institutions