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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, v. LEWIS HUNT ENTERPRISES, INC., Respondent.	OAH No.: 2011100011 File No.: 413-0953 SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between Lewis Hunt Enterprises, Inc. ("Lewis Hunt" or, alternatively, "Respondent") and the Commissioner ("Commissioner" or, alternatively, "Complainant") of the California Department of Corporations ("Department") (together, the "Parties"), and is made with respect to the following facts.

RECITALS

A. On or about January 5, 2009, the Commissioner issued a residential mortgage lender license to Respondent pursuant to the California Residential Mortgage Lending Act (Fin. Code, § 50000 *et seq.*) ("CRMLA"). Pursuant to Financial Code section 50124(a)(10), Respondent last

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reported to the Commissioner that its principal place of business is located at 3250 W. Big Beaver Road, Suite 300, Troy, Michigan, 48084.

B. On or about August 29, 2011, the Commissioner issued a Notice of Intention, Accusation, and accompanying documents (hereafter "Accusation", attached herein as Exhibit 1) to Respondent by certified, return receipt mail to 2140 Walnut Lake Road, Suite 104, West Bloomfield, Michigan, 48323, which is Respondent's current address on file with the Nationwide Mortgage Licensing System and Registry ("NMLS").

C. On or about September 13, 2011, Respondent's president informed the Commissioner's counsel via electronic mail that he received the Accusation and that it was Respondent's intention to surrender its California residential mortgage lender license because the company does not intend to conduct business in California.

D. On or about September 15, 2011, the Commissioner received Respondent's Notice of Defense; and, the Commissioner timely submitted a Request to Set to the Office of Administrative Hearings in accordance with the California Administrative Procedures Act.

E. On or about October 27, 2011, the Notice of Administrative Hearing set for March 26, 2012 was mailed to Respondent by certified, return receipt mail at its address on file with the NMLS.

F. Section 50123 of the CRMLA sets forth the license surrender process, which includes the filing of a plan for the withdrawal from regulated business. The plan must include a timetable for the disposition of the business and a closing audit, review, or other agreed upon procedures performed by an independent certified public accountant.

G. Due to the reasons set forth in the Accusation filed in this matter on August 29, 2011 (see Exhibit 1), the Commissioner was unable to accept surrender of Respondent's California residential mortgage lending license.

H. On February 21, 2012, Respondent's president verbally informed the Commissioner's counsel that Respondent's business has dissolved and that Respondent does not intend to appear at the administrative hearing set for March 26, 2012.

I. It is the intention of the Parties to resolve this matter without the necessity of an administrative hearing or any other litigation.

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NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the Parties agree as follows:

TERMS AND CONDITIONS

1. This Agreement is entered into for the purpose of judicial economy and expediency.

2. Respondent acknowledges its right to a hearing under the CRMLA in connection with the Commissioner's Accusation referenced herein (Exhibit 1), and it hereby waives the right to any hearing, reconsideration, appeal, or other right to review, if any, which may be afforded pursuant to the CRMLA, the California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law, and by waiving such rights, it consents to the Agreement as final.

3. Effective immediately, Respondent withdraws and dismisses with prejudice its request for an administrative hearing on all pending actions referenced herein, including OAH Case Number 201100011 which is presently set for hearing before the California Office of Administrative Hearings. Further, Respondent hereby authorizes the Commissioner to petition the Office of Administrative Hearings to dismiss with prejudice all pending administrative actions referenced herein.

4. Each Party represents, warrants, and agrees that it has received or been advised to seek independent legal advice from an attorney with respect to the advisability of executing this Agreement. Respondent acknowledges that it has willingly and knowingly decided to not seek the advice of legal counsel prior to entering into this Agreement.

5. As part of a complete and final resolution of the matters set forth in the Accusation as well as the other issues noted herein, Respondent hereby agrees to the immediate issuance by the Commissioner of an order revoking Respondent's residential mortgage lender license, attached herein as Exhibit 2.

6. The Commissioner reserves the right to bring any future actions against Respondent, or any of its officers, employees or successors for any and all unknown or future violations of the CRMLA. This Agreement shall not serve to exculpate Respondent or any of its partners, employees, or successors from liability for any and all unknown or future violations of the CRMLA. If it is

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found, after the execution of this Agreement, that Respondent has at any time violated any provision of the California Financial Code, the Commissioner reserves the right to take further action against Respondent including, but not limited to, imposing penalties and requesting restitution of all CRMLA transactions originated in breach of this Agreement.

7. The Parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of all matters which were or could have been raised in the Commissioner's Accusation against Respondent dated August 29, 2011 (Exhibit 1). The Parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agencies with any administrative, civil or criminal prosecution brought by any such agency against Respondent based upon any of the activities alleged in this matter or otherwise.

8. Respondent represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

9. This Agreement, including the attached exhibits, is the final written expression and the complete and exclusive statement of all the Agreements, conditions, promises, representations, and covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous Agreements, negotiations, representations, understandings, and discussions between and among the Parties, their respective representatives, and any other person or entity.

10. In that the Parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected, to, or involving this Agreement.

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Accordingly, the Parties waive the benefit of California Civil Code section 1654 and any successor or amended statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.

11. This Agreement shall not be effective until executed by all Parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings five (5) business days after execution by all Parties.

12. This Agreement may be executed in any number of counterparts by the Parties and when each party has signed and delivered at least one such counterpart to the other party, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement.

13. No amendment, change or modification of this Agreement shall be valid or binding to any extent unless it is in writing and signed by all of the Parties affected by it.

14. Each party covenants that it possesses all necessary capacity and authority to sign and enter into this Agreement. Each party warrants and represents that such party is fully entitled and duly authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of the foregoing, each party warrants and represents that it is fully entitled to enter into the covenants, and undertake the obligations set forth herein.

15. The Parties each represent and acknowledge that it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

16. Respondent acknowledges that this Agreement is a public record.

17. This Agreement shall not become effective until signed and delivered by the Parties.

18. Notice shall be provided to each party at the following addresses:

If to Respondent to:

Hunt Gersin, President
Lewis Hunt Enterprises, Inc.
2140 Walnut Lake Road, Suite 104
West Bloomington, MI 48323

Respondent has also consented to service via facsimile or electronic means at the following:

FAX:_____
EMAIL:_____

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If to the Commissioner to:

Miranda LeKander, Senior Corporations Counsel
Department of Corporations
1515 K Street, Suite 200
Sacramento, California 95814

IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on the dates set forth opposite their respective signatures.

JAN LYNN OWEN
California Corporations Commissioner

Dated: _____3/9/12_____ By_____

ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

Dated: ____2-28-12_____ By_____

HUNT GERSIN
President
Lewis Hunt Enterprises, Inc.

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