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BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, vs. SKYLINE MORTGAGE, LLC, Respondent.	))))))))))	File No.: 413-0881 SETTLEMENT AGREEMENT

This Agreement ("Agreement") is entered into between Skyline Mortgage, LLC ("Skyline") and the California Corporations Commissioner, Jan Lynn Owen, ("Commissioner") with respect to the following facts:

RECITALS

A. Skyline Mortgage, LLC ("Skyline") is a residential mortgage lender and/or servicer licensed by the Commissioner pursuant to the California Residential Mortgage Lending Act ("CRMLA") (California Financial Code Section 50000 et seq.), under license number 413-0881, with its principal place of business at 65 Madison Avenue, Suite # 310, Morristown, New Jersey 07960.

B. On September 7, 2011, the Commissioner issued an Order to Discontinue Residential Mortgage Lending And/Or Servicing Activities Pursuant To Section 50319, California Financial Code ("September 2011 Order") to Skyline for Skyline's failure to maintain a surety bond in

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accordance with the CRMLA. The Commissioner served the September 2011 Order by certified mail on September 7, 2011 and Skyline signed for the September 2011 Order on September 13, 2011. Skyline did not request a hearing on the September 2011 Order until October 4, 2011, after the statutory time period has passed. The September 2011 Order is now final and remains in effect.

C. On November 7, 2011, the Commissioner issued an Order Summarily Revoking Residential Mortgage Lender and/or Servicer License ("November 2011 Order") and Accusation to Skyline for Skyline's failure to pay their annual assessment. Skyline was served with the Order by certified mail on November 8, 2011. The Commissioner received a Notice of Defense from Skyline on November 18, 2011 requesting a hearing on the November 2011 Order.

D. On December 20, 2011, the Commissioner received a check from Skyline in the amount of $5,100, reflecting the $5,000 annual assessment and late penalties of $100.

E. It is the intention and desire of the parties to resolve this matter without the necessity of other litigation.

NOW, THEREFORE, in consideration of the foregoing, 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, and to avoid the time and expense of possible further court proceedings.

2. Each of the Parties represents, warrants, and agrees that it has received or been advised to seek independent legal advice from its attorneys with respect to the advisability of executing this Agreement.

3. Skyline hereby agrees to withdraw its Notice of Defense requesting a hearing on the November 2011 Order. Upon receipt of Skyline's written request to withdrawal its Notice of Defense, the Commissioner will issue an Order setting aside the November 2011 Order.

4. This Agreement 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 supercedes all prior or contemporaneous agreements,

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negotiations, representations, understandings, and discussions between and among the parties, their respective representatives, and any other person or entity.

5. Notwithstanding any other provision contained herein, nothing in this Agreement shall operate to limit the Commissioner's ability to investigate and prosecute violations of the California Residential Mortgage Lending Act not addressed herein, or to assist any other agency (county, state or federal) with any prosecution, administrative, civil or criminal, brought by such agency against Skyline.

6. 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 or arising out of this Agreement. Accordingly, the parties hereby waive the benefit of California Civil Code section 1654 and any successor statute.

7. The waiver of any provision of this Agreement shall not operate to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms of this Agreement must be in writing signed by the parties hereto.

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

9. This Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, together, shall be deemed to constitute a single document. A fax signature shall be deemed the same as an original signature.

Dated: 1/18/12 California Corporations Commissioner

By_____
Alan S. Weinger
Deputy Commissioner
Enforcement Division

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Dated: 1/4/12 Skyline Mortgage, LLC

By_____
Glenn Bromley
President

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