

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

In the matter of:)	Case No. 04-0002-LOR
)	
JAMES R. LOVE)	<u>DIVISION ORDER</u>
7126 Clovernoll Drive)	Denial of Loan Officer License Renewal Application
Cincinnati, Ohio 45231)	&
<hr style="width: 40%; margin-left: 0;"/>)	Notice of Appellate Rights

Respondent, James R. Love ("Respondent"), submitted a loan officer license renewal application to the Division of Financial Institutions ("Division") on April 21, 2003. The Division notified Respondent on April 5, 2004 that it intended to deny his loan officer license renewal application ("Application,") because Respondent failed to comply with R.C. 1322.052 of the Ohio Mortgage Broker Act by completing at least six hours of continuing education during the calendar year preceding his renewal application.

Respondent requested an administrative hearing, which was held on June 28, 2004. Respondent was present at the hearing and appeared pro se. A Report and Recommendation was filed with the Division on September 1, 2004, recommending that the Division grant Respondent's renewal application. No objections were filed.

In accordance with R.C. 119.09, the Division has considered the record, consisting of the Report and Recommendation, the transcript of testimony and exhibits as well as all applicable laws. As a result, the Division makes the following findings and conclusions. Any finding and/or conclusion not specifically addressed below is approved, adopted, and incorporated herein. (The Hearing Examiner's Report and Recommendation is attached).

The Division modifies paragraph II(B)(6) on page 4, and paragraph 4 under the heading of "DISCUSSION," on page 4 of the Report and Recommendation.

It is the Division's burden to show that Respondent's character and general fitness do not command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the Ohio Mortgage Broker Act. R.C. 1322.041(A)(5). Both paragraphs are modified to reflect the accurate legal burden.

The Division disapproves paragraph 15 on page 5 of the Report and Recommendation.

The hearing officer concluded that based on his testimony at the hearing, Respondent's character and general fitness did "command the confidence of the public to warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of the Ohio Mortgage Broker Act, as set forth in section 1322.041(A)(5)." The Division disagrees, based on Respondent's failure to timely submit the signed settlement agreement before the known deadline, and his testimony regarding the bizarre sequence of alleged mistakes which led to the Division's notice of intent to deny his license.

Respondent's settlement agreement was due at the Division's office on September 30, 2003, together with a check for \$250.00 and the supporting document concerning his 2002 continuing education classes. (Transcript of Proceedings, June 28, 2004, at p. 9.) Respondent requested an extension and was given until noon, October 1, 2003. (Tr. at pp. 9-10.) Respondent failed to meet the new deadline. (Tr. at p. 10.)

On a daily basis loan originators deal with consumers' personal financial information and counsel them on what is most often their largest financial investment. Being able to make sure that important documents are filed and deadlines are not missed is a vital part of the job, and any failures in that regard can have far-reaching consequences for the loan officer's customer. The settlement agreement is an important document for any loan officer at risk of having his license revoked, and one would expect a reasonable loan officer in the Respondent's position to exercise the amount of care necessary to ensure it is filed on time. Taken within its proper context,

Respondent's inability to follow the Division's explicit instructions regarding the settlement agreement demonstrates to the Division that Respondent does not hold the requisite fitness needed to be a loan officer.

Blaming the failure on others only compounds the situation. Respondent testified that he took the documents to the Post Office, knowing they were due the next day, and was informed by a Post Office employee that it would be delivered the following day if it was sent by regular mail. (Tr. at pp. 14-15, 18-19.) Respondent testified that he was negligent in taking the person at their word. (Tr. at p. 15.) The Division finds that Respondent was negligent in failing to ensure the settlement agreement was received before the deadline.

In accordance with the foregoing, the Division concludes that Respondent's loan officer license application should be denied.

It is so ordered.

NOTICE OF APPELLATE RIGHTS

Respondent is hereby notified that pursuant to R.C. 119.12, this Order may be appealed by filing a notice of appeal with the Ohio Division of Financial Institutions setting forth the order appealed from and the grounds for the appeal. A copy of such notice of appeal, pursuant to R.C. 119.12, must also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 24th day of May 2006.

ROBERT M. GRIESER

Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce