

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

In the matter of:	)	Case No. 04-0086-LOD
	)	
<b>HOWARD E. CHAMPION</b>	)	<b><u>DIVISION ORDER</u></b>
11400 Brittany Wood Lane	)	<b>Denial of Loan Officer License Application</b>
Cincinnati, Ohio 45249	)	<b>&amp;</b>
	)	<b>Notice of Appellate Rights</b>

---

Respondent, Howard E. Champion (“Respondent”), submitted a loan officer license application to the Division of Financial Institutions (“Division”) on April 14, 2003. On January 22, 2004, the Division notified Respondent that it intended to deny his loan officer license application because: (1) In or around 1995, in the Hamilton County Municipal Court, Respondent was convicted of coercion, a second degree misdemeanor; (2) on or around March 17, 2003, Respondent attested in a sworn statement that information he provided about his criminal background on his loan officer license application he submitted to the Division was complete and truthful when it was not; (3) on or around April 14, 2003, in an attempt to obtain a loan officer license, Respondent provided untruthful information about his criminal background to the Division; (4) he violated R.C. 1322.07(A) by failing to disclose his convictions on his loan officer license applications; (5) he violated R.C. 1322.07(B) by making a false statement of a material fact or by omitting a statement required by state law on the licensing applications; (6) he violated R.C. 1322.07(C), which prohibits an applicant from engaging in improper or dishonest conduct; and (7) because his character and general fitness did not 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 R.C. 1322.01 to 1322.12—the Ohio Mortgage Broker Act.

Respondent requested an administrative hearing, which was held on April 22, 2004. A Report and Recommendation was filed with the Division on December 23, 2004, recommending that the Division deny Respondent’s 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 disapproves paragraph 12 on page 5 of the Report and Recommendation.

The Division finds that Respondent violated R.C. 1322.07(A) which prohibits an applicant from “mak[ing] any substantial misrepresentation in any \*\*\* license application.” In Question 5 of the application, Respondent was asked whether he has “ever been convicted of or pleaded guilty to any criminal offense[.]” (State’s Exh. 1.) Respondent answered “No”, thereby making a substantial misrepresentation on his loan officer license application. Violations of 1322.07(A), or for that matter R.C. 1322.07(B) and (C), do not require a mental state, or intent, for their violation.<sup>1</sup> The Division also finds that Respondent’s failure to disclose his criminal conviction to the Division, when asked in a clear and straightforward question, constitutes improper dealings in violation of R.C. 1322.07(C).

The Division disapproves the last two sentences of the Recommendation on page 6 of the Report and Recommendation.

The Hearing Examiner recommendation that “Respondent be allowed to reapply and any new application be acted upon without consideration of the application at issue herein[.]” This recommendation is both inappropriate and irrelevant to the subject matter of this action. The Division, as regulator and the licensing agency of loan officers employed by Ohio registered mortgage brokers, will only consider one loan officer application at a time and may, before issuing or denying an application, consider any and all relevant past actions of an applicant.

Upon reviewing the evidence presented, the Division finds 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.

For the reasons stated above, the Division hereby denies the loan officer license application of Howard E. Champion.

It is so ordered.

---

<sup>1</sup> In R.C. 1322.07(E) and (F), both sections contain language of intent by using the “knowingly”, whereas R.C. 1322.07(A), (B), and (C) do not.

**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 must, 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 7<sup>th</sup> day of September 2006.

---

**ROBERT M. GRIESER**

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