

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120

In the matter of:)	
)	Case No. 06-2768
JACK A. BURTON)	
1760 Alpine Dr.)	Notice of Intent to Deny Loan Officer
Columbus, OH 43229)	License & Notice of
)	Opportunity for a Hearing
)	

JURISDICTION

The Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder.

RESPONDENT

Respondent Jack A. Burton ("Respondent") has applied to the Division for a loan officer license pursuant to R.C. Chapter 1322. His address of record is 1760 Alpine Dr., Columbus, OH 43229, and his date of birth is May 3, 1962. Respondent seeks to be a licensed loan officer with Gordon Lending Corporation, a mortgage broker operating under certificate of registration MB #2240.

ALLEGATIONS

Pursuant to R.C. 1322.031(B) and 1322.10(B), the Division has conducted an investigation of Respondent to determine whether Respondent meets the conditions for registration under R.C. 1322.041, and as a result thereof, alleges the following:

1. On August 26, 2005, a complaint was filed with the Division's Office of Consumer Affairs against Respondent. The complaint concerned a residential mortgage transaction on property at 3584 Maize Road, Columbus, OH 43224-3264 which mortgage loan was obtained with Respondent's assistance. The complainant, Ms. Bridgett Harris, stated that Jack Burton was her loan officer for the transaction, a claim supported by the loan application she submitted to the Division.
2. Jack Burton had previously submitted two applications to become a loan officer to the Division, one on September 30, 2003 and another on April 12, 2005. Both applications were withdrawn by the Division pursuant to R.C.

1322.031(D), due to Mr. Burton's failure to respond to the Division's request to submit certain information to complete his applications. Jack Burton has never been issued a loan officer license pursuant to R.C. 1322. Consequently, he has never been authorized to originate loans subject to the Ohio Mortgage Broker Act.

3. Jack Burton was not licensed at the time he conducted the interview or at any time that he was assisting Ms. Harris in obtaining the above-referenced mortgage. By originating said loan without first obtaining a loan officer license he acted in violation of R.C. 1322.02(B).
4. Records submitted by Gordon Lending Corporation in response to a Division subpoena for loan documents from March through April 2004 Respondent originated three additional mortgage loan files when he was not licensed and authorized to originate loans by the Ohio Mortgage Broker Act. These transactions, occurring on March 3, 2004, March 24, 2004, and April 15, 2004, concern properties located at 750 Bedford Avenue, Columbus, OH 43205, 65 Woodrow Ave., Columbus, OH 43207, 5745 Loganwood Dr., Columbus, Ohio 43229, respectively, and each of these transactions were subject to the Ohio Mortgage Broker Act.
5. R.C. 1322.02(B) states: "No person, on the person's own behalf or on behalf of any other person, shall act as a loan officer without first having obtained a license from the superintendent."
6. By assisting consumers in obtaining mortgages during a period when he did not hold a license, Respondent violated R.C. 1322.02(B).
7. Consequently, Respondent does not meet the conditions of licensure set forth in R.C. 1322.041(A)(2).
8. Due to Respondent's violations of R.C. 1322.02(B), the Superintendent cannot find that Respondent's character and general fitness 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. Consequently, Respondent does not meet the conditions for obtaining a loan officer license according to R.C. 1322.041(A)(5).
9. According to R.C 1322.10(A)(1)(a) the Superintendent of Financial Institutions may refuse to issue a license for a violation of or failure to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or rules adopted under those sections.

FINDINGS

Based upon the allegations above, the Division determines the following:

1. Respondent has violated R.C. 1322.02(B) by assisting a consumer in obtaining a mortgage during a time when he did not hold an active loan officer license.
2. Due to Respondent's violation of R.C. 1322.02(B), Respondent has not met 1322.041(A)(2), the condition of licensure which requires license applicants to comply with R.C. 1322.01 to R.C. 1322.12.
3. Due to Respondent's violation of R.C. 1322.02(B), the Superintendent cannot find that "the applicant's character and general fitness 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 sections 1322.01 to 1322.12 of the Revised Code," which is a condition of obtaining a loan officer license.
4. Because of Respondent's violation of R.C. 1322.02(B), according to R.C. 1322.10(A)(1)(a), the Superintendent of Financial Institutions may refuse to issue a license to Respondent.

PROPOSED ACTION

Based upon the allegations and findings above, the Division intends to **DENY** Respondent, Jack A. Burton, a loan officer license.

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an ORDER DENYING Jack A. Burton a loan officer license.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed to:

**State of Ohio
Department of Commerce
Division of Financial Institutions
Attn: Attorney Timothy C. Winslow
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120**

At the hearing, Respondent may appear in person, by Respondent's attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses appearing for and against Respondent.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an ORDER DENYING Respondent a loan officer license.

Signed and Sealed this 8th day of April, 2006.

Robert M. Grieser
Deputy Superintendent of Financial Institutions

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions
Matt Lampke, Asst. Attorney General, Executive Agencies

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