

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

In the matter of:)	Case No. M2009-759
)	
DOMINIC A. DiFRANCO)	Notice of Intent to Deny Loan Officer License Renewal
9545 Nighthawk Drive)	&
Chagrin Falls, Ohio 44023)	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 administering and enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder. In accordance therewith, the Division is accountable for the licensing of individuals as residential mortgage loan officers.

RESPONDENT

DOMINIC DIFRANCO ("Respondent") is an individual that held a loan officer license issued by the Division to originate residential mortgage loans pursuant to R.C. Chapter 1322. Respondent's loan officer license, LO.001579, expired on April 30, 2009, and Respondent filed an application to renew his license; that renewal application remains pending. Respondent's employer of record is Preferred Mortgage Consultants, Inc., 120 W. Aurora Road, Suite A, Northfield, Ohio 44067.

NOTICE OF PROPOSED ACTION

In accordance with R.C. sections 1322.041 and 1322.10 and R.C. Chapter 119, the Division intends to DENY Respondent's renewal application for a loan officer license.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.10(B), and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to renew a loan officer license if the Division finds that the licensee has violated "or fail[ed] to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted[.]"
- B. R.C. 1322.041(B)(3) provides that a loan officer license will be renewed annually if the superintendent finds that the applicant meets the conditions set forth in divisions (A)(2) to (6) of R.C. 1322.041.
- C. R.C. 1322.041(A)(2) provides that the a loan officer license will be issued if, among other requirements, "the applicant complies with sections 1322.01 to 1322.12 of the Revised Code."
- D. R.C. 1322.041(A)(6) provides that a loan officer license will be issued if, among other requirements, "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.”

- E. R.C. 1322.07(C) prohibits a licensee from engaging “in conduct that constitutes improper, fraudulent, or dishonest dealings.”
- F. While Respondent was the sole shareholder and operations manager of former OMBA registrant Precision Funding Corp., Inc. (MB.801532), and was therefore responsible for its actions pursuant to R.C. sections 1322.01(H) and 1322.03(A)(3), the registrant submitted four checks to the Division that were returned for insufficient funds. Specifically, the registrant submitted check number 6821 for \$100 to renew the license for LO.033247 and said check was returned for insufficient funds; the registrant submitted check number 6823 for \$15 as a transfer fee for LO.005187 and said check was returned for insufficient funds; the registrant submitted check number 6822 for \$15 as a transfer fee for LO.026965 and said check was returned for insufficient funds; and the registrant submitted check number 1006 for \$100 for Respondent’s 2008 loan officer license renewal and said check was returned for insufficient funds.
- G. Pursuant to R.C. 1322.041(B)(1), checks submitted to the Division for loan officer license renewal applications that are returned for insufficient funds require payment of a one hundred dollar (\$100) penalty.
- H. Respondent has incurred NSF penalties in the amount of two hundred dollars (\$200) that remain unpaid and owes two hundred thirty dollars (\$230) to the Division for the checks that were returned for insufficient funds for a grand total of four hundred thirty dollars (\$430) that remains unpaid to the Division.
- I. On October 28, 2008 in case M2008-61, the Division issued a Division Order denying the application of OMBA registrant Precision Financial Services, Inc. of which Respondent was 100% shareholder.

As a result of the findings listed above, the Division has determined that:

- 1. Respondent’s actions, as described in paragraphs F and H, violated R.C. 1322.07(C).
- 2. Respondent’s actions, as described in paragraphs E and G and the grounds set forth for the OMBA application denial in Division case M2008-61, show 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 purposes of the Ohio Mortgage Broker Act. See R.C. 1322.041(A)(6).
- 3. Because Respondent does not meet the conditions for renewal outlined in R.C. 1322.041(A)(2)&(6) and (B)(3), the Division has the authority to refuse to renew Respondent’s 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 the application for renewal of Respondent’s 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: Ohio Division of Financial Institutions, Attn: Anthony Siciliano, Consumer Finance General Counsel, 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 the application for renewal of Respondent's loan officer license.

Signed and sealed this 23rd day of December, 2009.

LEIGH A. WILLIS

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