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DIVISION OF FINANCIAL INSTITUTIONS
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**STATE OF OHIO
DEPARTMENT OF COMMERCE**

IN THE MATTER OF:

TIFFANY N. LUNDY

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DIVISION OF FINANCIAL
INSTITUTIONS

CASE NO. 05-0166-LOD

**REPORT AND RECOMMENDATION
ADMINISTRATIVE HEARING OFFICER D. MICHAEL QUINN**

Issued March 21, 2006

I. FINDINGS OF FACT

A. BACKGROUND

This matter came before this Hearing Officer, an attorney licensed to practice law in Ohio, and duly appointed by the Ohio Division of Financial Institutions (hereinafter the "Division") to serve as Hearing Officer for an adjudicative hearing in accordance with the Administrative Procedures Act, Chapter 119, Ohio Revised Code (hereinafter "O.R.C."). Said hearing was held at 1:30 PM on December 6, 2005, at 77 South High Street, 19th Floor, room 1936, Columbus, Ohio.

The hearing was held at the request of Respondent Tiffany N. Lundy, of Cleveland, Ohio (hereinafter the "Respondent") to consider the Division's Notice of Intent to Deny Loan Officer License Application, Notice of Opportunity for a Hearing (hereinafter "NOH"). Said NOH was based upon an allegation that Respondent was found guilty of petty theft in 1996, and found guilty of possession of counterfeit controlled substances, both misdemeanors of the first degree, and is thereby ineligible to hold a license as a Mortgage Loan Officer. The Division appeared and was represented by the Ohio Attorney General's

Office, Assistant Attorney General Mindy Worly. Neither Respondent nor any representative appeared or submitted a written statement.

At the hearing, State's Exhibits 1, 2, 3 and 4 were admitted into the record. One witness appeared for the Division. No exhibits or witnesses were offered for the Respondent.

B. JURISDICTION

The Division issued the NOH against Respondent on October 26, 2005. Respondent requested a hearing, received by the Division on October 31, 2005. On November 3, 2005, the Division scheduled the hearing for November 10, 2005, all within the requirements of Chapter 119, O.R.C. By the same letter, the Division continued the original date of the hearing to December 6, 2005, at which time the hearing went forward without any communication from Respondent or anyone representing Respondent.

C. PROPOSED ISSUANCE OF ORDER TO CEASE AND DESIST

1. The Division is the state agency responsible for the licensing and regulation of Mortgage Loan Officers pursuant to O.R.C. Chapter 1322.
2. Respondent is an individual who has conducted, and wishes to continue to conduct, business in Ohio as a Mortgage Loan Officer (hereinafter "Loan Officer.") (Exhibit 1.)
3. On or about August 16, 2005, the Division received from Respondent a Loan Officer Application (hereinafter the Application). (Exhibit 1.)
4. On the Application, Respondent responded "Yes" to Question 5, which asks if the applicant has been convicted of any criminal offense. (Exhibit 1.)
5. An investigation by the Division determined that on August 29, 1996, Respondent pleaded guilty to Petty Theft in Portage County Municipal Court. Respondent was sentenced to a \$100 fine and 30 days in jail, suspended. (Exhibit 1.)
6. In a statement to the Division as part of the Application, Respondent states that the theft conviction was the resulted from

her being with a friend who stole, without Respondent's knowledge. (Exhibit 1.)

7. On or about November 15, 2001, Respondent pleaded guilty, in Cuyahoga County Court of Common Pleas, to possession of counterfeit controlled substances. Respondent was sentenced to six months incarceration, suspended, and ordered to pay court costs and a fine of \$50. (Exhibit 1.)
8. In a statement to the Division as part of the Application, Respondent states that the drug conviction was the result from her name being on a utility bill at the home of her children's father. When the police found drugs, criminal tools and other items during a raid, she was charged even though she states she didn't live there. (Exhibit 1.)
9. Respondent did not appear or otherwise offer any evidence relating to her honesty, truthfulness, good reputation and that there is no basis in fact for believing that she would not commit such offenses again.

II. CONCLUSIONS OF LAW

A. JURISDICTIONAL ISSUE

1. The Division procedurally complied with O.R.C. Chapter 119.

B. LICENSE APPLICATION

2. In 1996, Respondent was convicted of Petty Theft "a criminal offense involving theft ...", an offense specifically cited in section 1322.041(A)(3) O.R.C.
3. In 2001, Respondent was convicted of a drug offense, possession of counterfeit controlled substances.
4. The theft conviction being proven by the Division, the Respondent must now prove, by a preponderance of the evidence, that the Respondent's "activities and employment record since the conviction show that the applicant is honest, truthful, and of good reputation, and there is no basis in fact for believing that the applicant will commit such an offense again" in order to obtain a

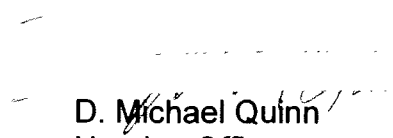
license. The Respondent must also demonstrate that that the Respondent's character and general fitness will command the confidence of the public and will warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of sections 1322.01 to 1322.12, O.R.C. Sections 1322. 041(A)(3) and 1322. 041(A)(5), O.R.C.

5. Respondent did not offer any prove of her honesty, truthfulness, good reputation, or that she will not commit the offenses, again.

III. RECOMMENDATION

The recommendation to the Superintendent of Financial Institutions is to **DENY A MORTGAGE LOAN OFFICER'S LICENSE TO TIFFANY N. LUNDY.**

Respectfully submitted.


D. Michael Quinn
Hearing Officer
March 21, 2006
Docket No. 05-DFI-177