

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

In the matter of:)	Case No. M2009-1125
)	
TIMOTHY P. BELL)	Notice of Intent to Revoke Loan Officer License
3440 Virginia Road, 106B)	and Notice of Intent to Fine
Woodmere, OH 44122)	&
)	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.

RESPONDENT

TIMOTHY P. BELL ("Respondent") is an individual who holds a loan officer license issued by the Division to originate residential mortgage loans pursuant to R.C. Chapter 1322. His address of record is 3440 Virginia Road -- 106B, Woodmere, Ohio 44122. Respondent's employer of record is Woodside Mortgage Services, Inc. 30195 Chagrin Blvd., Suite 112, Pepper Pike, Ohio 44124.

NOTICE OF PROPOSED ACTION

In accordance with R.C. sections 1322.041 and 1322.10, and R.C. Chapter 119, the Division intends to REVOKE Respondent's loan officer license and IMPOSE A FINE of five thousand dollars (\$5,000.00) upon Respondent.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.031(B), and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to revoke a loan officer license if the Division finds that the licensee has "violat[ed] or fail[ed] to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code...or any other law applicable to the business conducted under a certificate of registration[.]"
- B. The Division is authorized by R.C. 1322.10(A)(2) to impose a fine upon Respondent for his violations of a law or rule.
- C. R.C. 1322.071(B)(3) prohibits a loan officer from "pay[ing] or receiv[ing], directly or indirectly, a referral fee or kickback of any kind to or from a bona fide third party or other party with a related interest in the transaction, such as a...real estate broker or agent, for the referral of business."
- D. R.C. 1322.07(C) prohibits a licensee from "engage[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings.

- E. The Real Estate Settlement and Procedures Act (“RESPA”), 12 U.S.C. 2607(a), states that “[n]o person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person.” Pursuant to 12 U.S.C. 2602(a)(2), “thing of value” means “any payment, advance, funds, loan, service, or other consideration[.]” and “Settlement service” means “any service provided in connection with a real estate settlement including, but not limited to,...services rendered by a real estate agent or broker, the origination of a federally related mortgage loan (including, but not limited to, the taking of loan applications, loan processing, and the underwriting and funding of loans)...[.]”
- F. On or about October 16, 2009, Respondent sent via electronic mail a written agreement offering to pay a referral fee, kickback or thing of value to real estate brokers or agents for the referral of a real estate settlement services involving federally related mortgage loans.

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

1. Respondents actions as listed in Paragraph F above violated R.C. 1322.071(B)(3), 1322.07(C), and 12 U.S.C. 2607(a).
2. Because Respondent violated R.C. 1322.071(B)(3), 1322.07(C) and 12 U.S.C. 2607(a), the Division is authorized to revoke Respondent’s loan officer license pursuant to R.C. 1322.10(A)(1)(a).
3. Because of the actions listed in Paragraph F above, the Division can no longer find that Respondent has the “character and general fitness [to] 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.”
4. A fine in the amount of five thousand dollars (\$5,000.00) is reasonable, appropriate and necessary for his violations of R.C. Chapter 1322.

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 revoking Respondent’s loan officer license and imposing a fine of five thousand dollars (\$5,000.00) upon Respondent.

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: Jacqueline Mallett, Consumer Finance Attorney, 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 revoking Respondent's loan officer license and imposing a fine of five thousand dollars (\$5,000.00) upon Respondent.

Signed and sealed this 4th day of December, 2009.

LEIGH A. WILLIS

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