

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

In the matter of:	)	Case No. M2006-9992876
	)	
<b>CATHY L. HOWARD</b>	)	<b>Notice of Intent to Deny Loan Officer License Renewal</b>
3874 Wintergreen Boulevard	)	&
Gahanna, Ohio 43230	)	<b>Notice of Opportunity for a Hearing</b>
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**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**

**CATHY L. HOWARD** ("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 expired on April 30, 2006, and Respondent filed an application to renew her license; that renewal application remains pending. Respondent's employer of record is Carteret Mortgage Corporation, 6211 Centreville Road, Suite 800, Centreville, Virginia 20121.

**NOTICE OF PROPOSED ACTION**

In accordance with sections 1322.041 and 1322.10 of the R.C., 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. 1322.031(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)(2) 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 (5) of R.C. 1322.041.
- C. R.C. 1322.041(A)(4) provides that a loan officer license shall be issued if the applicant has not been subject to an adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty, or, if the applicant has been subject to such a judgment, the applicant has proven to the superintendent, by a preponderance of the evidence, that the applicant's activities and employment record since the judgment show that the applicant is honest, truthful, and of good reputation, and there is no basis in fact for believing that the applicant will be subject to such a judgment again.

- D. In October 2005, in Franklin County Municipal Court case *Columbus Check Cashers v. Howard* (Case No. 2005 CVI 03214), default judgment was entered for Columbus Check Cashers against Respondent in the amount of \$2027.25 plus costs and interest, for fraud and conversion.
- E. Respondent has not proven to the superintendent, by a preponderance of the evidence, that her activities and employment record, since the October 2005 judgment, show that she is honest, truthful, and of good reputation, and there is no basis in fact for believing that she will be subject to such a judgment again. See R.C. 1322.041(A)(4) & (B)(3).
- F. Respondent's actions, as described in paragraph D, 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)(5).
- G. Because Respondent did not meet the conditions for renewal outlined in R.C. 1322.041(A)(4), (A)(5) & (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, 21<sup>st</sup> 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's loan officer license.

Signed and sealed this 29<sup>th</sup> day of June 2006.

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**ROBERT M. GRIESER**

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