

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

In the matter of:)	Case No. M2007-249
)	
KRYSTAL KLEAR MORTGAGE GROUP, LLC)	Notice of Intent to Deny 2007 Renewal Application
)	&
1677 East 40 th Street)	Notice of Opportunity for a Hearing
Cleveland, OH 44103)	
)	

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. In accordance therewith, the Division is accountable for the registration of mortgage brokers.

RESPONDENT

KRYSTAL KLEAR MORTGAGE GROUP, LLC ("Respondent") is a company that held a certificate of registration to engage in business as a mortgage broker pursuant to R.C. Chapter 1322. Respondent's mortgage broker certificate of registration expired on April 30, 2007, and Respondent filed an application to renew its certificate of registration. The renewal application remains pending. Respondent's business address of record is 1677 E. 40th Street, Cleveland, Ohio 44103.

NOTICE OF PROPOSED ACTION

In accordance with sections 1322.04 and 1322.10 of the R.C., and R.C. Chapter 119, the Division intends to DENY Respondent's 2007 renewal application for a mortgage broker certificate of registration.

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. On or around April 10, 2007, Respondent's vice president, John Chapman, was indicted by the Cuyahoga County Grand Jury on the following criminal charges: 1) one count of engaging in a pattern of corrupt activity, in violation of R.C. 2923.32; 2) six counts of money laundering, in violation of R.C. 1315.55; and 3) two counts of forgery, in violation of R.C. 2913.31.
- B. Each of the criminal charges listed in paragraph A involved the mortgage broker business and Respondent is implicated directly by name as concerns the charge of engaging in a pattern of corrupt activity, in violation of R.C. 2923.32.

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

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 Respondent's renewal application under the Ohio Mortgage Broker Act.

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 D. 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. At the hearing, a corporation must have a representative that is permitted to practice before the Agency, such as an attorney.

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 renewal application.

Signed and sealed this 16th day of May 2007.

RICHARD F. KECK
Acting Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce