

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

In the matter of:	)	Case No. 05-0009-LOD
	)	
<b>ERNEST E. BUNDY</b>	)	<b><u>DIVISION ORDER</u></b>
429 East Oakland	)	<b>Denial of Loan Officer License Application</b>
Toledo, Ohio 43609	)	<b>&amp;</b>
	)	<b>Notice of Appellate Rights</b>

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Respondent, Ernest E. Bundy, submitted a loan officer license application to the Division of Financial Institutions (“Division”) on January 3, 2005. On February 8, 2005, the Division notified Bundy that it intended to deny his loan officer license application because: (1) in 1987 he was convicted of unauthorized use of property; (2) he violated R.C. 1322.07(A) by failing to disclose his conviction on his loan officer license application; (3) he violated R.C. 1322.07(B) by making a false statement of a material fact or by omitting a statement required by state law on the licensing application; (4) he violated R.C. 1322.07(C), which prohibits an applicant from engaging in improper or dishonest conduct; and (5) because his character and general fitness do not command the confidence of the public and warrant the belief that his business will be operated honestly and fairly in compliance with the purposes of R.C. 1322.01 to 1322.12—the Ohio Mortgage Broker Act.

Bundy requested an administrative hearing which was held on March 29, 2005. A Report and Recommendation was filed with the Division on May 17, 2005, recommending that the Division grant Respondent’s application. No objections were filed.

In accordance with R.C. 119.09, the Division has considered the record, consisting of the Report and Recommendation, the transcript of testimony and exhibits, as well as all applicable laws. As a result, the Division makes the following findings and conclusions. Any finding and/or conclusion not specifically addressed below is approved, adopted, and incorporated herein. (The Hearing Examiner’s Report and Recommendation is attached).

The Division disapproves paragraph 6 on pages 5 and 6 of the Report and Recommendation.

Bundy had a responsibility to verify that his answers were factually correct before attesting to their truthfulness. A loan officer’s job is fraught with opportunities to make

consequential mistakes simply to get the deal done. The general assembly wanted to ensure that the licensees that handle Ohio consumers' personal financial information and financial future have the fitness to command the public's confidence. By not spending the time to ensure he was answering all of the questions on his loan officer license application accurately, Bundy demonstrates that his general fitness is not appropriate for a loan officer.

The Division modifies paragraph 8 on pages 6 and 7 of the Report and Recommendation.

As the hearing officer states, R.C. 1322.07(A) and (B) do not require a level of intent to be violated. The same is true of R.C. 1322.07(C), which Bundy also violated by failing to disclose his conviction for unauthorized use of property.<sup>1</sup>

The Division disapproves paragraph 9 and the Recommendation found on page 7 of the Report and Recommendation.

This Division, as pointed out in the previous paragraphs of this Order, did prove that Respondent violated R.C. 1322.07(A), (B), and (C). This act of present dishonesty illuminates that Respondent's general fitness is not suitable for a loan officer. Hence, Respondent did not comply with R.C. 1322.01 through 1322.12—the Ohio Mortgage Broker Act. As a result, the record indicates that Respondent did not meet the condition for licensure outlined in R.C. 1322.041(A)(2).

For the reasons stated above, the Division hereby denies the Loan Officer License Application of Ernest E. Bundy.

It is so ordered.

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<sup>1</sup> In R.C. 1322.07 (E) and (F), both sections contain language of intent by using the term “knowingly”, whereas R.C. 1322.07 (A), (B), and (C) do not.

**NOTICE OF APPELLATE RIGHTS**

Respondent is hereby notified that pursuant to R.C. 119.12, this Order may be appealed by filing a notice of appeal with the Ohio Division of Financial Institutions setting forth the order appealed from and the grounds for the appeal. A copy of such notice of appeal must, pursuant to R.C. 119.12, also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 28<sup>th</sup> day of September 2006.

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**ROBERT M. GRIESER**

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