

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120

In the matter of:)	
)	Case No. 04-0019MBD
REGIS MORTGAGE CORPORATION)	
900 Club Drive- Suite H)	Notice of Intent to Assess Fine and
Westerville, OH 43081)	Deny Renewal of Mortgage Broker
)	Certificates of Registration &
)	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 enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder.

RESPONDENT

Respondent Regis Mortgage Corporation, ("Respondent") is an Ohio corporation which held mortgage broker certificates of registration, MB#3458, MB#4012, MB#4379, issued by the Division pursuant to R.C. 1322. Respondent's mortgage broker certificates of registration expired on April 30, 2004, and Respondent filed an application to renew its certificates; the renewal application of the Respondent remains pending. Respondent's business address of record for its main office is 900 Club Drive- Suite H, Westerville, OH 43081.

NOTICE OF PROPOSED ACTION

In accordance with R.C. 1322.04, and pursuant to R.C. Chapter 119, the Division intends to ASSESS A FINE and DENY RENEWAL of Respondent's mortgage broker certificates of registration.

ALLEGATIONS

Pursuant to R.C. 1322.10(B) and R.C. 1322.04(B), the Division conducted an investigation into the affairs of Respondent, and as a result thereof, alleges the following:

1. R.C. 1322.01(H) defines "Operations Manager" as "the individual responsible for the everyday operations, compliance requirements, and management of a mortgage broker business."

2. R.C. 1322.03(A)(3) requires a mortgage broker applicant to designate an operations manager.
3. If the person designated as operations manager according to R.C. 1322.03(A)(3) is no longer the operations manager, R.C. 1322.04(D)(1) requires the registrant to designate another person as the operations manager. Within ten days after the designation of the operations manager, the registrant is required by 1322.04(D)(2) to notify the Superintendent of Financial Institutions in writing of the designation.
4. R.C. 1322.03(A)(4) requires a mortgage broker applicant to provide evidence that its designated operations manager has at least three years experience in the mortgage and lending field.
5. R.C. 1322.04(D)(3) requires a registrant to submit any additional information that the Division requires to establish that a newly designated operations manager has the three years experience required by R.C. 1322.03(A)(4).
6. R.C. 1322.04(A)(9) requires that a mortgage broker applicant's operations manager to have successfully completed the examination for operations managers as set forth in R.C. 1322.051.
7. R.C. 1322.04(B)(3) requires the Division to find that a mortgage broker renewal registrant applicant is in compliance with R.C. 1322.04(A)(2) to (10) as a condition for renewal of the mortgage broker's certificate of registration.
8. In February, 2004, the Division became aware that Respondent was without an Operations Manager. Accordingly, the Division sent Respondent a Change of Operations Manager package.
9. In April 2004 Respondent requested a Change in Operations Manager, designating Donald Wilson as the Operations Manager of Regis Mortgage Corporation. The Division approved Donald Wilson to take the Operations Manager examination on or about April 20, 2004.
10. In June 2004 the Division was notified that Donald Wilson no longer worked for Regis Mortgage and that Respondent wished to designate John Closser as its Operations Manager. Respondent was notified in a letter of the deficiencies in Mr. Closser's application.
11. On or about July 20, 2004, Respondent submitted to the Division a letter stating that Respondent wished to designate Jonda Peterson as its Operations Manager. Respondent was notified by the Division on July 23, 2004 that Ms. Peterson did not qualify for the position of Operations Manager.

12. Respondent has not submitted any additional names for the position of Operations Manager. Respondent has not contacted the Division regarding its Operations Manager since July 2004.
13. By not having an Operations Manager who has successfully completed the required examination in violation of R.C. 1322.04(A)(9), Respondent fails to meet the conditions of renewal under R.C. 1322.04(B).
14. Respondent has violated R.C. 1322.07(C) through its improper conduct in not qualifying a person for the Operations Manager position in a reasonable time since February 2004.

FINDINGS

Based upon the allegations above, the Division has determined the following:

1. Respondent Regis Mortgage Corporation does not have an Operations Manager who has successfully completed the required examination in violation of R.C. 1322.04(A)(9).
2. Respondent failed to qualify a new designated operations manager within a reasonable amount of time since February 2004, and otherwise failed to submit the materials necessary for the Division to qualify a new operations manager in a timely manner in violation of R.C. 1322.07(C).
3. Respondent Regis Mortgage Corporation fails for the reasons set forth herein to meet the conditions for renewal as set forth in R.C. 1322.04(B).

PROPOSED ACTION

Based upon the allegations and findings above, the Division intends to DENY THE RENEWAL of the Mortgage Broker Certificates of Registration MB 3458, MB 4012 and MB 4379 for Regis Mortgage Corporation and LEVY A FINE in the amount of \$2,000.00 for the violations of R.C. 1322.04 and R.C. 1322.07(C).

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondents are 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 RENEWAL of the mortgage broker certificates of registration MB 3458, MB 4012 and MB 4379 for Regis Mortgage Corporation and to impose a FINE of \$2,000.00.

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 to:

**State of Ohio
Department of Commerce
Division of Financial Institutions
Attn: Attorney Timothy C. Winslow
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 DENYING THE RENEWAL of the mortgage broker certificates of registration MB 3458, MB 4012 and MB 4379 for Regis Mortgage Corporation and assessing a FINE of \$2,000.00.

Signed and Sealed this _____ day of _____, 2004.

Robert M. Grieser
Deputy Superintendent of Financial Institutions

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions
Emily Smith, Asst. Attorney General, Business & Government Regulation

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