

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

|                         |   |  |
|-------------------------|---|--|
| In the matter of:       | ) | Case No. M2008-11  |
|                         | ) | <b>Amended</b>   |
| <b>SCOTT D. FAZEKAS</b> | ) | <b>Notice of Intent to Deny Loan Officer License Application</b> |
| 231 Millpond Road       | ) | <b>&amp;</b>   |
| Sunbury, Ohio 43074     | ) | <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. In accordance therewith, the Division is accountable for the licensing of individuals as residential mortgage loan officers.

**RESPONDENT**

**SCOTT D. FAZEKAS** ("Respondent") has applied to the Division for a loan officer license. His address of record is 231 Millpond Road, Sunbury, Ohio 43074 and his date of birth is June 14, 1979. Respondent's employer of record is Freedom Banc Mortgage, 325 Cramer Creek Court, Suite 205, Dublin, Ohio 43017.

**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 loan officer license application.

**BASIS FOR PROPOSED ACTION**

The Division has conducted an investigation of Respondent pursuant to R.C. 1322.031(B) and 1322.10(B) and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license if the Division finds that the applicant has violated or failed to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections.
- B. R.C. 1322.07(A) states that "[n]o...applicant for a...license...shall...[o]btain a...license through any false or fraudulent representation of a material fact or any omission of a material fact required by state law, or make any substantial misrepresentation in any...license application."
- C. On November 20, 2007, the Division received a Loan Officer Application in which Respondent attested in a sworn statement that the information he provided constituted a complete, truthful and correct statement of all information requested by the Division.

Respondent further attested that he understood that “any false or fraudulent representation or substantial misrepresentation will be grounds for denial of any license/registration application pending with the Ohio Division of Financial [I]nstitutions....”

- D. Question 8 on the Loan Officer Application asks the following question: “Have you ever had any type of approval or application to conduct business (such as a license or certificate of authority) denied, revoked, suspended, or refused to be renewed; or have you ever been fined by any state or federal regulatory authority or court in relation to any claim or misconduct in a business transaction?”
- E. Respondent responded “No” to the above question on the Loan Officer Application. Respondent did not answer this question truthfully, and failed to disclose that the State Board of Education for the state of Ohio permanently revoked his professional teaching license.
- F. On September 11, 2007, the State Board of Education issued a Resolution stating that it “hereby REVOKES Scott Fazekas’s five-year professional teaching license based upon his 2007 convictions for sexual imposition and felony menacing by stalking, and in accordance with Ohio Administrative Code Rule 3301-73-22(A)(2)(b), orders Scott Fazekas be permanently ineligible to apply for any license issued by the State Board of Education[.]”
- G. In or around 2007, in the Court of Common Pleas, Marion County, Ohio, before Judge William R. Finnegan in Case No. 07-CR-227, Respondent pleaded guilty to and was convicted of one count of menacing by stalking, a fourth degree felony, and one count of sexual imposition, a third degree misdemeanor.

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

- 1. Respondent’s actions, as listed in paragraphs C through E, violated R.C. 1322.07(A), which prohibits a loan officer applicant from “mak[ing] any substantial misrepresentation in any...license application[.]”
- 2. Respondent’s action as listed in paragraphs C through F above show 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)(6).

#### **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 a loan officer license 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: Jacqueline Mallett, Consumer Finance Attorney Examiner, 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 a loan officer license.

Signed and sealed this 14th day of July 2008.

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**LEIGH A. WILLIS**  
Deputy Superintendent for Consumer Finance  
Division of Financial Institutions  
Ohio Department of Commerce