

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS

2007 SEP 10 AM 11:20

77 South High Street, 21st Floor
Columbus, Ohio 43215-6120

In the matter of:

JERRY D. WACHS AND

PATRICIA F. SMITH

dba Oxford Mortgage Company

24800 Chagrin Boulevard, Suite 210

Beachwood, OH 44122

)
) Case No. 07-514MBS
)

) **Order of Temporary Suspension**
) **and**

) **Notice of Expedited 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.

PARTY RESPONDENT

Jerry D. Wachs and Patricia F. Smith dba Oxford Mortgage Company ("Respondent") is a partnership that holds an active mortgage broker certificate of registration with the Division of Financial Institutions. The business address of record for Respondent is 24800 Chagrin Boulevard, Suite 210, Beachwood, OH 44122 with certificate of registration number MB 800156.

ALLEGATIONS

Pursuant to R.C. 1322.10(B), the Division has begun an investigation into the affairs of Respondent regarding the following:

1. On July 20, 2007, the Division of Financial Institutions received notice of the proposed cancellation of the bond issued by CAN Surety, (bond no. 929245420) to cover Respondent's mortgage broker business as required by R.C. 1322.05. This cancellation notice was provided to the Division in accordance with law thirty days prior to its effective date of August 19, 2007.
2. R.C. 1322.05(A) provides: "No registrant shall conduct business in this state, unless the registrant has obtained and maintains in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state. The bond shall be in favor of the

superintendent of financial institutions and in the penal sum of at least fifty thousand dollars and an additional penal sum of ten thousand dollars for each location, in excess of one, at which the registrant conducts business.”

3. R.C. 1322.05(F) provides: “No registrant shall fail to comply with this section. Any registrant that fails to comply with this section shall cease all mortgage broker activity in this state until the registrant complies with this section.”
4. Respondent no longer holds a valid bond to conduct business as a mortgage broker as required by R.C. 1322.05(A) and (F), and has yet to surrender its mortgage broker certificates of registration to the Division, which registrations remain outstanding.
5. Pursuant to R.C. 1322.10(F)(1)(b) the Division may in the public interest automatically suspend the mortgage broker certificate of registration of any registrant who fails to maintain its bond as required by R.C. 1322.05(F).

FINDINGS

Based upon the allegations above, the Division has determined that Respondent, Jerry D. Wachs and Patricia F. Smith dba Oxford Mortgage Company is without a bond in violation of R.C. 1322.05(F) and it is in the public interest to suspend the Respondent’s certificates of registration pursuant to its authority under R.C. 1322.10(F).

In accordance with the provisions of R.C. 1322.10(F) and O.A.C. 1301:8-7-27, Respondent is entitled to an expedited hearing to be scheduled within thirty days of the date of this Order to determine whether the suspension shall be confirmed or terminated.

ORDER OF TEMPORARY SUSPENSION

Based upon the allegations and findings above, the Division pursuant to R.C. 1322.10(F), hereby issues this ORDER OF TEMPORARY SUSPENSION of Respondent’s mortgage broker certificate of registration MB 800156. Said SUSPENSION shall remain in place for the period pending the resolution of the expedited hearing as specified in O.A.C. 1301:8-7-27. IT IS SO ORDERED.

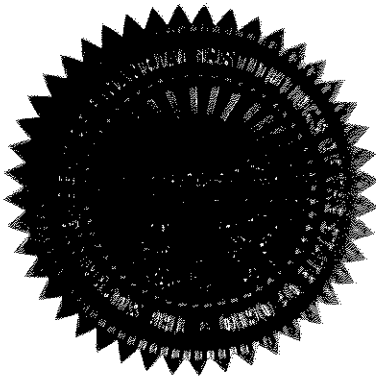
NOTICE OF EXPEDITED HEARING ON ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that a hearing on this matter has been set for October 5, 2007 at 10:00 am at the Division’s offices at 77 S. High Street, 21st Floor, Columbus, OH 43215. The purpose of the expedited hearing is to determine whether to confirm or terminate the Division’s ORDER OF TEMPORARY SUSPENSION.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent may appear by its 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.

Parties to the hearing may request a continuance for good cause as provided by O.A.C. 1301:8-7-27(a). If the Ohio Division of Financial Institutions does not receive proof of a valid bond in compliance with R.C. 1322.05 or surrender of the certificates of registration at or prior to the hearing, then the Division shall proceed with the hearing, confirm the suspension, and take other administrative action as appropriate.

Signed and Sealed this 10TH day of SEPTEMBER, 2007.



A handwritten signature in cursive script, reading "Richard F. Keck".

Richard F. Keck
Acting Deputy Superintendent
of Financial Institutions

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions
Matt Lampke, Asst. Attorney General, Executive Agencies Section

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