

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

In the matter of:)	Case No. M2006-9992834
)	
LAURA M. YEAGER)	<u>DIVISION ORDER</u>
6748 Canterbury Drive)	Denial of Loan Officer License Application
Madison, Ohio 44057)	&
)	Notice of Appellate Rights
)	

Respondent, Laura M. Yeager (“Respondent”), submitted a loan officer license application to the Division of Financial Institutions (“Division”) on April 26, 2006. On July 19, 2006, the Division notified Respondent that it intended to deny her loan officer license application (“Application”) because: (1) in or around 1984, in the Lake County, Ohio, Court of Common Pleas, Respondent pleaded guilty to and was convicted of two counts of Forgery; (2) in or around 1992, in the City of Mentor, Ohio, Municipal Court, Respondent pleaded guilty to and was convicted of Petty Theft; (3) Respondent violated R.C. 1322.07(A) by substantially misrepresenting her prior criminal record in response to a question on the Application; (4) Respondent violated R.C. 1322.07(B) by making a false statement of a material fact and by omitting a statement required on the licensing application; (5) Respondent violated R.C. 1322.07(C) by engaging in improper or dishonest conduct; (6) pursuant to R.C. 1322.031(A)(2) and 1322.041(A)(3), Respondent has not proven that she is honest, truthful, and of good reputation, and there is no basis in fact for believing that she will not commit another criminal offense involving theft or any criminal offense involving money or securities; and (7) because 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 R.C. 1322.01 to 1322.12 – the Ohio Mortgage Broker Act.

Respondent requested an administrative hearing which was held on September 19, 2006. A Report and Recommendation (“Report”) was filed with the Division on November 22, 2006, recommending that the Division deny Respondent’s Application. No objections were filed.

In accordance with R.C. 119.09, the Division has considered the record, consisting of the Report, 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 is attached hereto.)

The Division disapproves paragraphs 18 and 19, on pages 7 and 8 of the Report.

The Report concluded Respondent did not violate either R.C. 1322.07(A), (B) or (C) by failing to disclose her 1994 conviction for Petty Theft, in response to a question on the Application which asked Respondent to disclose whether she had "ever been convicted of any criminal offense?" (Emphasis in original.) (*See*, Exhibit 10.) The Report ostensibly bases its conclusion on the Division's failure to establish any intent to deceive the Division by Respondent, due to Respondent's unrefuted testimony that she provided an explanation of the conviction to her then-employer, whom Respondent alleged was responsible for failing to enclose the letter with her Application at the time it was filed.

The Respondent failed to produce a copy of the alleged document, and presented no other testimony or evidence to support her self-serving testimony. Respondent has filed three separate applications with the Division: May 3, 2002; May 8, 2003; and April 26, 2006. (*See*, Exhibits 4, 7 and 10.) Each application contains a "yes" response to the question concerning prior criminal history, a letter adequately disclosing the circumstances of her conviction for Forgery in 1984, but fails to include any mention of the 1994 Petty Theft conviction. (*See*, *Id.*) Nonetheless, the question of Respondent's intent is irrelevant to the Division's determination, as intent to deceive is not a required element for a violation of either R.C. 1322.07 (A), (B), or (C). Paragraphs (E) and (F) of that section both contain language of intent by using the term "knowingly," whereas paragraphs (A), (B), and (C) do not.

Accordingly, the Division finds that Respondent violated R.C. 1322.07(A) by failing to disclose her conviction for Petty Theft; Respondent violated R.C. 1322.07(B) by omitting a statement required on the licensing application; and Respondent violated R.C. 1322.07(C), by engaging in improper or dishonest conduct during the course of answering and submitting her Application to the Division.

Upon consideration of the hearing officer's Report, the Division confirms and adopts the recommendation. Accordingly, Respondent's Application is hereby denied.

It is so ordered.

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, pursuant to R.C. 119.12, must 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 12th day of February 2007.

RICHARD F. KECK

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