

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

In the matter of:)	Case No. M2008-512
)	
JOSEPH FARAH)	<u>DIVISION ORDER</u>
2010 Delaware Avenue)	Denial of Loan Officer License
New Castle, Pennsylvania 16105)	Renewal Application
)	&
)	Notice of Appellate Rights

WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division") and charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, as codified in Ohio Revised Code ("R.C.") Chapter 1322, the Division finds that this Order is necessary and appropriate, in the interest of the public, and is consistent with the purposes of the Ohio Mortgage Broker Act; and

WHEREAS, Joseph Farah ("Respondent") applied to the Division for a renewal of his loan officer license pursuant to R.C. Chapter 1322; and

WHEREAS, on December 23, 2008, the Division issued Respondent a Notice which informed Respondent that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

- A. On January 27, 1989, Respondent appeared in the United States District Court, Eastern District of New York, before Judge Raymond J. Dearie, and entered a plea of guilty to causing a domestic financial institution to fail to file a required report with the Internal Revenue Service, in *United States of America v. Joseph Farah*, Case No. 1:88-CR-00087.
- B. On or around March 29, 2004, Respondent attested in a sworn statement that information he provided on his licensing application was truthful, knowing that the information he provided was false.
- C. On or around March 29, 2004, Respondent provided untruthful information to the State of Ohio, Department of Commerce, Division of Financial Institutions.

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

- 1. Based on Respondent's guilty plea, as shown above, the Division has the authority to deny the renewal of Respondent's loan officer license pursuant to R.C. 1322.10(A)(1)(b).
- 2. Based on Respondent's guilty plea, as shown above, the Division has determined that the Respondent has been convicted of money laundering and/or a criminal

offense involving money as described in R.C. 1322.031(A)(2), and, therefore, the Division is authorized to deny the renewal of Respondent's loan officer license pursuant to R.C. 1322.041(A)(3) & (B)(3).

3. Respondent's actions, as listed in paragraphs C and D above, violated R.C. 1322.07(A), which prohibits a loan officer applicant from "mak[ing] any substantial misrepresentation in any registration or license application[.]"
4. Respondent's actions, as listed in paragraphs C and D above, violated R.C. 1322.07(B), which prohibits a loan officer applicant from "[m]ak[ing] false or misleading statements of a material fact, [or] omissions of statements required by state law[.]"
5. Respondent's actions, as listed in paragraphs C and D above, violated R.C. 1322.07(C), which prohibits a loan officer applicant from "[e]ngag[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings."
6. Based on Respondent's violations of 1322.07(A), (B) and (C), the Division is authorized to deny the renewal of Respondent's loan officer license pursuant to R.C. 1322.10(A)(1)(a).
7. As a result of the violations listed above, 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).

WHEREAS, the Notice informed Respondent of the Division's intent to deny the renewal of Respondent's loan officer license application and of the opportunity for a hearing regarding the denial if requested within thirty days from the mailing of the Notice. The Notice further cautioned Respondent that "[i]f the Ohio Division of Financial Institutions d[id] not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of th[e] Notice, the Superintendent w[ould] issue an order denying the 2008 renewal application of Respondent's loan officer license [;]"

WHEREAS, the Notice was mailed to Respondent, via certified mail, on December 23, 2008, and service was perfected;

WHEREAS, Respondent failed to request a hearing and thereby failed to defend against the Division's allegations;

WHEREAS, the Division finds that the allegations contained in the Notice are true and that Respondent should be denied the renewal of his license to act as a loan officer;

Respondent, Joseph Farah's 2008 loan officer license renewal application is hereby DENIED.

It is so ordered.

NOTICE OF RIGHT TO APPEAL

Respondent is hereby notified that this Order may be appealed, pursuant to R.C. 119.12, 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 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 5th day of February 2009.

LEIGH A. WILLIS

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