

STATE OF OHIO  
DEPARTMENT OF COMMERCE  
DIVISION OF FINANCIAL INSTITUTIONS

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IN THE MATTER OF: : CASE NO. 04-0294-LOD  
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Lisa M. Wojcik : James J. Lawrence, Hearing Officer

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ADMINISTRATIVE HEARING OFFICER'S  
REPORT AND RECOMMENDATION  
August 25, 2004

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I. FINDINGS OF FACT

A. Background

This matter came before James J. Lawrence, an attorney licensed to practice law in the state of Ohio and duly appointed by the Ohio Division of Financial Institutions (Division) to serve as Hearing Officer for this hearing in accordance with Ohio Revised Code (R.C.) Chapter 119, the Administrative Procedure Act. The hearing was held at 10:30 a.m. on July 13, 2004, at 77 South High Street, Columbus, Ohio. The hearing was held at the request of Respondent Lisa M. Wojcik (Respondent) to consider the allegations in the Division's Notice of Intent to Deny Loan Officer License Renewal and Notice of Opportunity for Hearing (NOH).

The Division alleges that Respondent failed to comply with R.C. 1322.01 to 1322.12 by failing to complete at least six hours of approved continuing education in calendar year 2002 as required by R.C. 1322.052. Therefore, the Division asserts that Respondent is not eligible for a loan officer license renewal pursuant to the Ohio Mortgage Broker Act, R.C. Chapter 1322. for the following reasons:

1. The Respondent failed to comply with the continuing education requirement set forth in R.C. 1322.052.
2. Respondent's failure to comply with the continuing education requirement set forth in R.C. 1322.052 shows 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.

Anthony Siciliano, Assistant Attorney General, from the Executive Agencies Section of the Office of the Attorney General, represented the Division at the hearing. The Respondent appeared with Counsel Brian J. Green, Shapiro, Green & Michel, LLC of Beachwood, Ohio. At the hearing, State's Exhibits 1 through 6 and Respondent's Exhibits A – G were admitted into the record.

**B. Jurisdiction and Procedural Matters.**

The Division issued the NOH to Respondent on April 1, 2004 by certified mail, return receipt requested. Respondent's hearing request was received by the Division on May 18, 2004. The Division scheduled the hearing for June 4, 2004. The hearing was continued to July 13, 2004 at the Division's request. Notice of the date, time and location of the hearing was sent by ordinary mail addressed to the Respondent.

**C. Respondent's Loan Officer License Renewal Application.**

1. In 2001, the 124<sup>th</sup> Ohio General Assembly modified the Ohio Mortgage Broker Act to, among other things, add a requirement that each loan officer complete six hours of continuing education every calendar year beginning with calendar year 2002. To fulfill this requirement, the six hours of continuing education must be offered in a course or program of study approved by the Superintendent of Financial Institutions (Superintendent.) Am.Sub.S.B. No. 76.
2. The Respondent has been a loan officer since 2001. She worked for one and one-half years for First Metropolitan in Parma, Ohio and has worked since April of 2003 for Preferred Mortgage Consultants, Inc. in Beachwood, Ohio. (TR at 26-27.) The Respondent has closed 300 loans without receiving any complaints. (TR at 32-33.) Brian Daskocil, an owner of Preferred Mortgage Consultants, Inc., testified that Respondent is honest, trustworthy and hardworking and gets many referrals from her customers. (TR at 46-47.)
3. From December of 2002 until the birth of her child in late March of 2003, the Respondent was in the second half of a difficult pregnancy. She worked from her home during this period.

4. In June of 2002, the Respondent attended a course sponsored by Hondros College titled Experienced Loan Officer Grammer. (Exhibit A; TR at 28-29.) The Respondent believed that the course met the continuing education requirement for loan officers because her employer at the time, First Metropolitan, enrolled her in the course and required the entire company, including management, to attend the course. (TR at 28-29.) However, the Superintendent did not approve the course for continuing education. (Exhibit 2; TR at 20, 30.)
5. The Division extended the deadline for loan officers to complete their 2002 continuing education requirements into March of 2003. (Exhibit 1.)
6. On August 21, 2003, the Division notified the Respondent that her loan officer license could not be renewed because its records indicated that she did not fulfill her 2002 continuing education requirement. The Division offered in the form of a Settlement Agreement to renew her license if she completed six hours of approved continuing education, paid a \$250.00 fine and otherwise agreed to the terms of the Settlement Agreement by September 30, 2003. (Exhibit 1; TR at 14.)
7. The Respondent signed and returned the Settlement Agreement and attached a copy of the Hondros College Course completion certificate. (TR at 15,29.)
8. On October 1, 2003, the Division notified the Respondent that it had not accepted her settlement agreement because she had failed to complete an approved continuing education course and she had failed to enclose a cashier's check or money order in the amount of \$250.00. (Exhibit 2; TR at 15, 30.)
9. On September 25, 2003, the Respondent completed six hours of approved continuing education sponsored by Financial Strategies. (Exhibit B.) The Respondent also completed six hours of approved continuing education on December 11, 2003 (Exhibit C) and six hours of approved continuing education on June 1, 2004. (Exhibit D.) Both of these courses were also sponsored by Financial Strategies.
10. On November 13, 2003, the Respondent resubmitted the settlement agreement along with the Course Completion Certificate from September 25, 2003 and a cashier's check for \$250.00. (Exhibits B, G; TR at 30-31.)

## II. CONCLUSIONS OF LAW

### A. Jurisdictional and Procedural Matters.

The Division procedurally complied with R.C. Chapter 119. and jurisdiction over this matter has been established.

### B. Loan Officer License Renewal Application.

1. R.C. 1322.052 provides:

On and after January 1, 2002, each licensee \*\*\* shall complete at least six hours of continuing education every calendar year. To fulfill this requirement, the six hours of continuing education must be offered in a course of program of study approved by the superintendent of financial institutions.

2. R.C. 1322.041 (B) provides that a loan officer license shall be renewed if the Superintendent finds that certain conditions are met, including:

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(2) On or after January 1, 2003, the loan officer has completed, during the immediately preceding calendar year, at least six hours of continuing education as required under section 1322.052 of the Revised Code.

(3) The applicant meets the conditions set forth in divisions (A) (2) to (5) of this division.

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3. R.C. 1322.041 (A) provides in pertinent part:

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(5) The applicant's character and general fitness 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 sections 1322.01 to 1322.12 of the Revised Code.

4. R.C. 1322.10 provides that after notice and opportunity for a hearing conducted in accordance with R.C. Chapter 119., the Superintendent may, among other things, refuse to renew a loan officer license if he finds a violation of or failure to comply with any provision of R.C. 1322.01 to 1322.12.

#### **C. Discussion.**

1. The Division alleges that the Respondent's failure to timely complete her 2002 continuing education requirement shows that her 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. However, the Respondent's omissions do not adversely reflect on her character. The facts in this case show Respondent believed that the course she took from Hondros College in June of 2002 met the continuing education requirement for loan officers because her company required its entire staff to attend. Even in August of 2003, when the Respondent received the Division's notice that the Division records indicated that she had not completed the continuing education requirement, she still believed that the course met the requirement and sent a copy of the course completion certificate to the Division in an attempt to show that she had complied with the continuing education requirement. It was not until September or October of 2003, when the Division notified the Respondent that the settlement agreement was not accepted, that the Respondent understood that the course did not meet the continuing education requirement. She promptly requested that a course she completed in September of 2003 be applied to the 2002 requirement and enrolled in another course to satisfy the requirement for 2003. Taken in the worst light, the Respondent's omissions constitute a lack of attention to detail. (Any lack of attention to detail should be considered in light of the difficult pregnancy that culminated in the birth of her child in March of 2003.) The Respondent's failure to complete the 2002 continuing education requirement does not, by itself, establish that the Respondent's character and 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. In the absence of any other information in the record that reflects negatively on the Respondent's character and fitness, the record does not warrant a finding that the loan officer license renewal prerequisite in R.C. 1322.041(A) (5) and (B) (3) has not been met.
2. The Respondent did not complete six hours of continuing education approved by the Superintendent by the statutory December 31, 2002 deadline or by the March, 2003 deadline as extended by the Division. Nor did the

Respondent meet the terms of the settlement agreement by the September 30, 2003 deadline. The Respondent did not comply with the requirement for continuing education under R.C. 1322.052.

3. Pursuant to R.C. 1322.10(A)(1) when a loan officer fails to comply with any provision of R.C. 1322.01 to 1322.12, the Superintendent may refuse to renew the loan officer's license, may impose a fine or may take no formal disciplinary action. In deciding which remedy to impose, the facts and circumstances of the particular case should be considered. In this case, the facts show that: 1) 2002 was the first year of the continuing education requirement, 2) the Respondent completed a course in June of 2002 that she had reason to believe satisfied the continuing education requirement, 3) the Respondent experienced a difficult pregnancy at the end of 2002 and the beginning of 2003 that distracted her from her obligations as a loan officer, and 4) she promptly completed continuing education requirements for 2002 and 2003 after she learned that the June 2002 course did not satisfy the continuing education requirement. These facts, considered along with her past excellent performance as a loan officer, warrant a determination that her loan officer license should be renewed.

### **III. RECOMMENDATION**

Based upon the particular facts and circumstances of this case, I respectfully recommend that the Superintendent of Financial Institutions renew the Respondent's loan officer license pursuant to R.C. 1322.10(A)(1)(a).

Respectfully Submitted,

✓ James J. Lawrence  
Hearing Officer  
August 25, 2004