

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

In the matter of:)	Case No. 04-0398-LOD
)	
ROBERT L. BLAKEMORE)	<u>DIVISION ORDER</u>
6614 Hialea Court)	Denial of Loan Officer License Application
Cincinnati, Ohio 45230)	&
)	Notice of Appellate Rights

Respondent, Robert L. Blakemore, submitted a loan officer license application (“Application”) to the Division of Financial Institutions (“Division”) on May 4, 2004. On August 24, 2004, the Division notified Blakemore that it intended to deny his Application because: (1) in 1996 he was convicted of passing a bad check, and he had not proven that he is honest, truthful and of good reputation and that there is no basis in fact for believing that he will not commit another criminal offense involving passing bad checks or any criminal offense involving money or securities; (2) he violated R.C. 1322.07(A) by failing to disclose his conviction on his loan officer license application; (3) he violated R.C. 1322.07(B) by making a false statement of a material fact or by omitting a statement required by state law on the licensing application; (4) he violated R.C. 1322.07(C), which prohibits an applicant from engaging in improper or dishonest conduct; and (5) because his character and general fitness did not command the confidence of the public and warrant the belief that his 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.

Blakemore requested an administrative hearing which was held on November 5, 2004. A Report and Recommendation (“Report”) was filed with the Division on December 21, 2004, recommending that the Division grant 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 and Recommendation is attached).

The Division disapproves the final two sentences of paragraph 4 on page 7 of the Report and Recommendation.

Respondent was convicted of "passing bad check" in 1996, (See State's Ex. 4) a crime the legislature believed is such a potential threat to mortgage loan consumers that it is an enumerated offense in R.C. 1322.031(A)(2) and 1322.041(A)(3). This crime, in and of itself, is enough to establish that Respondent's general character and fitness does not command the confidence of the public. The duties of a loan officer require great diligence and attention to detail, especially concerning financial information.

The Division disapproves paragraphs 5 and 6 on page 7, and paragraph 7 and the recommendation on page 8 of the Report and Recommendation.

Respondent's intent when falsely completing his loan officer license application is irrelevant to the Division's determination.¹ Respondent's inability to honestly answer a direct question evidences a lack of the requisite fitness required of a loan officer. On a daily basis loan originators deal with consumers' personal financial information and counsel them on what is most often their largest financial investment. Being able to comprehend and evaluate complicated mortgage documents is a vital part of the job. By not understanding a straightforward question on a licensing application, Respondent has demonstrated to the Division that he does not hold the requisite fitness needed to be a loan officer. The favorable testimony of

¹ In R.C. 1322.07 (E) and (F), both sections contain language of intent by using the term "knowingly," whereas, R.C. 1322.07 (A), (B), and (C) do not.

superiors, who have a financial stake in Respondent receiving his loan officer license, does not mitigate Respondent's failure to disclose his convictions. The Division has a responsibility to the public to be diligent in its oversight, and this responsibility demands that falsely answering a question about one's criminal background be taken seriously.

The application of Respondent indicates that he answered "no" to Question 5 of the Loan Officer License Application. (See State's Ex.2). Respondent was convicted of a crime involving passing bad checks, an enumerated offense. (See State's Ex. 4). The Division finds that Respondent's statement that he had not been convicted of any offenses is conduct that constitutes improper, fraudulent, or dishonest dealings, thus a violation of R.C. 1322.07(C). This is in addition to the violation of R.C. 1322.07(A) and (B) which the hearing officer found in paragraph 6 of his Report and Recommendation.

Respondent's activities as evidenced by his failure to honestly answer Question 5 of the application, do not prove that he is honest and truthful and of good reputation. Additionally, the Division, as pointed out in the previous paragraphs of this Order, did prove that Respondent violated R.C. 1322.07(A), (B), and (C) by not disclosing his convictions on his loan officer license application. Hence, Respondent did not comply with R.C. 1322.01 through 1322.12 of the Revised Code—the Ohio Mortgage Broker Act. As a result, the Division finds that Respondent's character and general fitness do not command the confidence of the public and warrant the belief that business will be operated honestly and fairly in compliance with the Ohio Mortgage Broker Act.

For the reasons stated above, the Division hereby denies the loan officer license application of Robert L. Blakemore.

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 8th day of August 2006.

ROBERT M. GRIESER

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