

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

In the matter of:

RICHARD E. CLARK
4401 Teton
Toledo, OH 43623

) Case No. 03-LO-R-107-108
) *Related Case Nos: 03-LO-D-106-107 &*
) *03-MB-R-108-109*
) **Notice of Intent to Revoke Loan Officer License**
) **&**
) **Notice of Opportunity for a 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 administering and enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder.

RESPONDENT

RICHARD E. CLARK ("Respondent") holds an active loan officer license issued by the Division. His address of record is 4401 Teton, Toledo, OH 43623, and his date of birth is July 16, 1953. Respondent's employer of record is Challenge Financial Investors Corporation, d.b.a. Challenge Mortgage.

Challenge Financial Investors Corporation, doing business as CHALLENGE MORTGAGE, ("Respondent"), is a Florida corporation licensed to do business in the state of Ohio, and which holds an active mortgage broker certificate of registration issued by the Division. The business address for Challenge Mortgage is 1301 Seminole Blvd., Suite 140, Largo, FL 33770; its Division identification number is 802170, and its mortgage broker license number is 3087.

Respondent Richard Clark, also known as Dick Clark, has been appointed by Challenge Mortgage to oversee the activities of its branch office located at 6800 West Central #C, in Toledo, Ohio. Concurrent with the issuance of this notice, the Division has issued Challenge Mortgage a notice of intent to revoke Challenge Mortgage's mortgage broker certificate(s) of registration. (See Division Case No. 03-MB-R-108-109.)

NOTICE OF PROPOSED ACTION

In accordance with R.C. 1322.10, and pursuant to R.C. Chapter 119, the Division intends to REVOKE Respondent's loan officer license.

BASIS FOR PROPOSED ACTION

Pursuant to R.C. 1322.10(B), the Division conducted an investigation of Respondent, and as a result thereof, alleges the following:

1. The Ohio Mortgage Broker Act states that "[a] loan officer shall not be employed by more than one mortgage broker at any one time." R.C. 1322.02(B). Violation of this provision is a criminal offense punishable by up to six months' in jail and a fine of not more than \$1,000.00. (See R.C. § 1322.99(C) and R.C. §§ 2929.21(B) and (C)).

2. During November 2003, Respondent Richard Clark, in his capacity as agent of Challenge Mortgage, permitted Larry A. Temme to work as a loan officer in Challenge Mortgage's 6800 West Central #C, Toledo, Ohio branch office while Temme was employed as a loan officer by another mortgage broker, namely Premier Mortgage Funding of Ohio, Inc. (ID # 802904; MB # 4543).

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

- I. Respondent violated the Ohio Mortgage Broker Act, section 1322.02(B) of the Ohio Revised Code.
- II. By providing the means for Temme to commit the criminal offense described above in paragraph 2, Respondent Richard Clark aided and abetted in a criminal offense.
- III. Respondent's participation in the criminal offense and code violation described above in paragraph 2, constitutes improper and/or dishonest dealings in violation of the Ohio Mortgage Broker Act. See R.C. § 1322.07(C).
- IV. Respondent's actions, as listed above in paragraph 2, show that his character and general fitness do 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 the Ohio Mortgage Broker Act. See R.C. 1322.041(A)(5).

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an order revoking Respondent's loan officer license.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed: Ohio Division of Financial Institutions, Attn: Amanda Axtell—Consumer Finance Counsel, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

At the hearing, Respondent may appear in person, by Respondent's 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.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an order revoking Respondent's loan officer license.

Signed and sealed this 11th day of December 2003.

ROBERT M. GRIESER

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

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