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STATE OF OHIO  
DEPARTMENT OF COMMERCE  
DIVISION OF FINANCIAL INSTITUTIONS  
CONSUMER FINANCE

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In re: Pamela Patton-Mbah

: Case No. 03-LO-D-91-92

FINDINGS OF FACT, CONCLUSIONS OF LAW AND RECOMMENDATIONS OF  
THE HEARING OFFICER

The Ohio Department of Commerce, Division of Financial Institutions ("Division") proposes that the Loan Officer License Application of Pamela Patton-Mbah not be granted. The Division conducted an investigation and found:

1. In or around 1980, Ms. Patton-Mbah was convicted of Petty Theft, a first degree misdemeanor, in the Springdale Mayor's Court, Hamilton County, Ohio; in or around 1980, Ms. Patton-Mbah was convicted of Theft, a first degree misdemeanor; and in 1987, Ms. Patton-Mbah was convicted of Attempted Drug Abuse, a first degree misdemeanor in the Hamilton County Court of Common Pleas.

2. As a result, the Division determined:

- i. that she has not proven that she is honest, truthful and of good reputation and that there is no basis in fact to believe he will not commit such another criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering or drug trafficking or any criminal offense involving money or securities again as set forth in Ohio Revised Code 1322.041(A)(2) and (3); and
- ii. that Ms. Patton-Mbah's character and general fitness do not command the confidence of the public to warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of the Ohio Mortgage Broker Act, as set forth in Section 1322.041(A)(5).

Ms. Patton-Mbah's address for service is 4728 Robinhood Park, Columbus, Ohio 43227. She is hereinafter referred to as the "Respondent". The Respondent is employed by A Loan Company. (Exhibit 1).

This matter was initiated by the Superintendent of the Division by the issuance on September 16, 2003 of a Notice of Intent to Deny Loan Officer License & Notice of Opportunity for a Hearing together with a covering letter. (Exhibit 6).

On September 23, 2003, the Respondent wrote to the Division requesting a hearing. (Exhibit 7). On September 29, 2003, the Division also received a Request for Hearing together with a cover letter from counsel to the Respondent. (Exhibit 8).

On September 25, 2003, the Division wrote to the Respondent acknowledging receipt of the request for a hearing and scheduling the hearing for Thursday, October 2, 2003 at 10:00 a.m. (Exhibit 9). The hearing was simultaneously continued and rescheduled for a later date. (Exhibit 9). On October 1, 2003, the Division wrote to the Respondent's counsel scheduling the hearing for Tuesday, October 28, 2003 at 9:00 a.m. in Room 1908 of the Vern Riffe Center, 77 South High Street, Columbus, Ohio. (Exhibit 10).

The hearing was held beginning at 9:00 a.m. on October 28, 2003 and was attended by: Paula Luna Paoletti, Deputy Attorney General of the Executive Agencies Section of the Attorney General's Office of Ohio; the Respondent, John G. Neal, counsel to the Respondent; Martine Jean, an intern with the Office of the Attorney General together with 6 witnesses whose testimony will be described below.

The hearing was conducted pursuant to Section 119 of the Ohio Revised Code. The Division is deemed to have jurisdiction to conduct the proceedings.

### **FINDINGS OF FACT**

1. On May 21, 2003, the Respondent signed a Loan Officer Application (the "Application") under the provisions of the Ohio Mortgage Broker Act, Ohio Revised Code Section 1322. (Exhibit 1).

2. Question 5 of the Application provides:

Have you or has any company for which you have been an officer, or more than 5% owner or director, ever been convicted of any criminal offense? Exclude minor misdemeanor traffic and parking offenses. (DUIs and DWI's are criminal offenses.) Yes ☐ No ☐

If yes, submit a detailed explanation of the facts and circumstances, which gave rise to each charge and a certified copy of the journal entry evidencing the disposition of each charge.

3. In response to Question 5, the Respondent answered "Yes" and wrote "See attached".

4. The Respondent also submitted the following statement:

Explanation of circumstances for arrest on May 25, 1980 and on August 7, 1980.

On May 25, 1980 I was charged with petty theft for shoplifting at Value City in Springdale, Ohio. The merchandise was valued at \$132.02. At the time I was 22 years of age and I was with 3 other family members. We

had gone to Value City specifically to shoplift. Two of the family members got away and store security caught the other person. I paid for some of the merchandise and was stopped at the door, where the merchandise was found in my purse. I cooperated and signed a statement. At mayor's court I was fined \$90.00. A certified copy of the docket for this case, Case No. C80-382, is attached. This was the only record available.

On August 7, 1980 I was in the Ontario store in Cincinnati, Ohio with the same family members. Again, we were there to shoplift. I was stopped again after paying for some of the merchandise and charged with stealing \$40.29 worth of merchandise. A certified copy of the Journal Entry in this case, Case No. 80 CRB 20153, is attached.

I was raised in foster care all my life and met my family members when I was 20 years of age. The people I shoplifted with were 2 aunts and a cousin. I tried to be accepted by my family members. Finally, I stopped contact with family members in 1986.

Explanation of circumstances for arrest on September 1, 1987.

In 1987, I was living with someone who was using drugs (marijuana). He also hung around a lot of other people who did drugs. I was indicted with 9 other people who were friends of my former boyfriend. I plead to a misdemeanor because I did not have a drug problem. Today, my former boyfriend teaches college at a university in Ohio. Also, I have not used drugs for the past 15 years. A certified copy of the Journal Entry in this case, Case No. B854621, is attached.

(Exhibit 2.) See also Exhibits 3, 4 and 5, copies of the court criminal records.

CONCLUSIONS OF LAW

1. Ohio Revised Code Section 1322.031(A)(2) requires that in an Application for a license as a loan officer, an applicant must submit a statement as to whether the applicant has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking or any criminal offense involving money or securities.

2. Ohio Revised Code Section 1322.041 provides that the Superintendent of the Division shall issue a Loan Officer License if the Superintendent finds that certain conditions are met including:

- (2) The applicant complies with Sections 1322.01 to 1322.12 of the Revised Code.
- (3) The applicant has not been convicted or pleaded guilty to any criminal offense described in division (A)(2) of section 1322.031 of the Revised Code, or, if the applicant has been convicted of or pleaded guilty to such offense, the applicant has proven to the superintendent, by a preponderance of the evidence, that the applicant's activities and employment records since the conviction show that the applicant is honest, truthful and of good reputation, and there is no basis in fact for believing that the applicant will commit such an offense again.
- ...
- (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. Because the Respondent's convictions, the burden of proof shifted to the Respondent to show by a preponderance of the evidence that she is honest, truthful and of good reputation and that there is no basis in fact for believing that she will commit another criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering or drug trafficking, or any criminal offense involving money or securities and that her character and fitness command the confidence of the public to warrant the belief that the business will be operated honestly and fairly in compliance with the purpose of the Ohio Mortgage Broker Act.

### **DISCUSSION**

1. The Respondent was born in 1957. (Tr. 65). She was raised primarily in foster homes. (Id.). She was graduated from Princeton High School in Cincinnati. (Tr. 66). In 1987 or 1988, she left Cincinnati and came to Columbus where she began working at The Limited Credit Services. (Tr. 71). Within the first or second year there, she was honored as "Employee of the Year". (Id.). At the time of the hearing, the Respondent was 45 years of age. (Tr. 74).

2. The Respondent presented a newspaper article from The Columbus Dispatch about her extensive collection of African and African-American Art. (Exhibit A).

3. The Respondent testified forcefully that she does not believe that she will ever shoplift again or that she will ever do marijuana again. (Tr. 73).

4. The Respondent presented the testimony of 6 witnesses supporting her Application. The first to testify was Kenneth Shirel Davis. (Tr. 17, *et seq.*). Mr. Davis is an appraiser who has been licensed by the State of Ohio for 5 years. (Tr. 17). He has known the Respondent for the full 5 years that he has been appraising. (Tr. 18). She was then a loan officer at First State Mortgage. (*Id.*). In that position, the Respondent submitted files to Mr. Davis for appraisal. (*Id.*). Upon receipt of such files, Mr. Davis proceeded with a full appraisal. (*Id.*). Mr. Davis implied that the Respondent was careful not to give him directions affecting his appraisal process and professional work product. (Tr. 18-19). In the course of his work, Mr. Davis had opportunities to talk to homeowners about the Respondent. (Tr. 20). He never received unfavorable comments about the Respondent. (*Id.*). In fact, there were times when the homeowners would talk about the extra work that the Respondent had put in to make sure that she had done everything she needed to do to close the loan. (*Id.*). Mr. Davis' opinion of the Respondent's reputation in the community is very favorable. (Tr. 20-21).

5. John M. Jones, III, also testified in support of the Respondent. (Tr. 26, *et seq.*). Mr. Jones is employed by Vision Mortgage Consulting in Reynoldsburg, Ohio. (Tr. 26). He has been licensed as a mortgage broker by the State of Ohio, Department of Commerce, for about 3 years. (*Id.*). He has known the Respondent since 1995. (*Id.*). For a short time, Mr. Davis worked with the Respondent at Co-American Mortgage. (Tr. 27). Mr. Davis testified very favorably about the thoroughness, attention to detail and the pride of her work exhibited by the Respondent. He indicated that customers were always happy with the Respondent and were happy to refer their family members and additional friends to her for assistance. (Tr. 28). Mr. Davis testified that he assisted the Respondent in gathering the records from the three Court Clerk's offices in connection with the License Application. (Tr. 29, *et seq.*).

6. Dennis R. Bourne, an account executive for Decision One Mortgage, also testified. (Tr. 36, *et seq.*). His employer is a mortgage lender and his job is to get mortgage brokers to send his company loans. (Tr. 36). He reviews approximately 300 to 400 loan requests each month and of those, 50 to 60 close. (Tr. 36). He has known the Respondent for 3½ years having met her when he was a representative for one of the companies that the Respondent then worked for, Co-American. (Tr. 37). When he joined Decision One, the first person he spoke to at Co-American was the Respondent because he was impressed with the way she worked. (Tr. 37). In his job, he is allowed to select only 35 companies from which to solicit business. (Tr. 37-38). He selected the Respondent's company among those 35 companies. (Tr. 38). Mr. Bourne testified about the extensive checking that goes into a file review process to ensure that the Applications accurately and correctly reflect the true financial position of an applicant. (Tr. 39, *et seq.*). Mr. Bourne was impressed with the Respondent's files and nearly all of her

applications were accepted. (Tr. 41). By contrast, usually about 10%, on average, of a loan officer's applications are accepted. (Id.).

7. Holly Ontko of Sachs Mortgage also testified. (Tr. 46, *et seq.*). She has been employed by Sachs Mortgage since August, 2000 and before that was employed by Long Beach Mortgage. She examines between 50 and 100 mortgage applications per month and closes between 10 and 15 per month. (Tr. 47). She testified strongly that the Respondent knew her loan programs and presented files that were likely to close. (Tr. 48). Ms. Ontko has observed the Respondent in the workplace and has heard what others have said about her. (Tr. 49). Ms. Ontko noted that the Respondent was concerned about the borrowers and trying to get their loans approved and that she helped out with new people and others in her office. (Tr. 49). The Respondent's files never experienced a problem with Ms. Ontko. (Tr. 51).

8. Marc Gilbert Cabarra also testified favorably to the Respondent. (Tr. 54, *et seq.*). He is employed by Tek-Collect AmeriShield, a collection company. (Tr. 54). He is not in the mortgage business. (Tr. 55). He initially interviewed her in 1991 or 1992 for a job, but the Respondent was reluctant to leave The Limited. (Tr. 55). Ultimately, she worked with Mr. Cabarra between 1991 and 1999 in the area of collection work. (Tr. 55). That was at National Revenue Corporation. (Tr. 56). Mr. Cabarra was emphatic in his support of the Respondent. He presented a copy of a newspaper article showing the Respondent's receipt of a special award from the then president of National Revenue Corporation in recognition of her having achieved and exceeded business goals. (Exhibit B, Tr. 57-58). Mr. Cabarra would not hesitate to rehire the Respondent. (Tr. 59).

9. Maryann McCann of Westerville, Ohio, also testified. (Tr. 61, *et seq.*) She was a co-worker with the Respondent at National Revenue Corporation. (Tr. 61). She was Mr. Cabarra's supervisor as well as the supervisor ultimately for the Respondent. (Id.). She was particularly impressed with the Respondent's dedication. (Id.). Often, the Respondent stayed late at work. She participated in training activities and did a lot of interviewing. (Tr. 61). While at National Revenue Corporation, she was entrusted with the company credit card and there was never a problem with that. (Tr. 62). On a personal level, the Respondent frequently babysat for Ms. McCann's newborn daughter as well as other family members. (Tr. 62). Ms. McCann would trust the Respondent "with anything". (Id.).

10. There is no doubt that the Respondent was raised in less than ideal circumstances. She was in and out of foster homes during most of her childhood. (Tr. 65). In 1976 or 1977, she made a strong effort to locate her biological family. (Tr. 65). She first met her grandmother who had 11 children by 11 different fathers. (Tr. 65). The Respondent's mother was only 13 when she gave birth to the Respondent. (Id.). The Respondent testified forcefully about the strong religious makeup of her foster homes and the significant restrictions that were placed on her during her childhood. (Tr. 65-67). In the course of meeting her aunts and uncles, she came to realize that a family outing for them consisted of shoplifting. (Tr. 67). It was through such outings in 1980 that the Respondent was arrested and ultimately convicted of two separate misdemeanor offenses

outlined above. (Tr. 68). The value of one item which she stole was \$40.29 and the other was in the range of \$50.00. (Tr. 68).

11. The Respondent's drug conviction came in connection with her relationship to a gentleman. (Tr. 69). At the time, he was working on his Masters degree and ultimately (and much later), received his Ph.d. (Tr. 69). At the time of the Respondent's relationship with him, in the late 70's or early 80's, they smoked marijuana. (Tr. 69). The police arrived one morning at 6:00 a.m. with search warrants, knocked on all of the neighbors' homes, but did not find any drugs in the Respondent's premises. (Tr. 70). The Respondent then left the Cincinnati area for Atlanta only to find out later that charges had been filed against her. (Tr. 70-71). At the conclusion of that case, resulting in a misdemeanor conviction for Attempted Drug Abuse, the Respondent left Cincinnati and began her life in Columbus.

12. The overall review of the record in this matter points to two completely different lives lived by the Respondent. During her early years, she was raised in foster homes, involved with misdemeanor theft activity and ultimately indicted for being involved with marijuana use. The three criminal convictions, all misdemeanors, occurred in Cincinnati and the surrounding areas and all involved that portion of the Respondent's life. When the Respondent moved to Columbus, more than 20 years ago, her life appears to have changed dramatically and for the better. Since moving to Columbus, she has had no subsequent involvement in the criminal justice system and has, in fact, established an exemplary work and civic reputation. The Hearing Officer notes that both of the misdemeanor theft convictions involved minor matters, occurred at a time when the Respondent was young and impressionable, occurred more than 20 years ago and have no connection with the Respondent's employment history or work in the mortgage service industry. Likewise, the misdemeanor conviction for attempted drug abuse occurred more than 20 years ago, occurred while the Respondent was emerging from her childhood and adolescence and appears to be a single, isolated matter unrelated to the Respondent's life since that date. All three of these offenses, in the opinion of the hearing officer, are extraordinarily unlikely to reoccur in light of the Respondent's more than 20 plus year period of exemplary work and civic activity. Further, the Hearing Officer is impressed with the truthfulness and honesty of the Respondent, not only in her own testimony, but in the forceful testimony of the witnesses supporting her. Likewise, the Hearing Officer notes that the Respondent truthfully answered Question 5 about her criminal convictions and gave precise, focused answers indicating the background of those offenses. The unwavering support of her 6 witnesses, the more than 20 years that have elapsed since the last criminal conviction, the relative minor nature of the criminal offenses and the fact that no further criminal justice involvements have been made by the Respondent, all cumulatively show evidence that the Respondent should not be denied the License in this situation.

13. Based on the evidence and the Exhibits and the Transcript, the Hearing Officer concludes that by a preponderance of the evidence, the Respondent has established that she is honest, truthful and of good reputation and that there is no basis in fact for believing that she will commit another criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering or drug trafficking or any criminal offense involving money or securities and, likewise, that

her character and general fitness command the confidence of the public and warrant the belief that her business will be operated honestly and fairly and in compliance for the purposes of the Ohio Mortgage Broker Act.

**RECOMMENDATION**

Based on the above-findings of fact, conclusions of law and discussion thereof, it is the recommendation of the Hearing Officer that the Superintendent of the Division grant a Loan Officer License to the Respondent.

Respectfully submitted,

Kenneth R. Cookson  
Hearing Officer  
January 7, 2004

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