

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

In the matter of:)	Case No. M2006-9993131
)	
CHARLES G. DeBORD)	Notice of Intent to Deny Loan Officer License Application
6314 Browns Run Road)	&
Middletown, OH 45042)	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

CHARLES G. DeBORD ("Respondent") has applied to the Division for a loan officer license. His address of record is 6314 Browns Run Road, Middletown, Ohio 45042, and his date of birth is April 29, 1971. Respondent's employer of record is Credit Financial Services, LLC dba Alliance Mortgage Group, 130 Tri County Parkway, Suite 208, Cincinnati, Ohio 45246.

NOTICE OF PROPOSED ACTION

In accordance with sections 1322.041 and 1322.10 of the R.C., and R.C. Chapter 119, the Division intends to DENY Respondent's application for a loan officer license.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.031(B), and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license if the Division finds that the licensee or applicant has violated or failed "to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted[.]"
- B. Respondent held a loan officer license during the 2004 calendar year.
- C. R.C. 1322.052 requires every licensed loan officer to complete at least six (6) hours of approved continuing education ("CE") every calendar year (by December 31st).
- D. On May 4, 2006, the Division issued a Division Order in Case No. 05-0233-LOD, denying Respondent's 2005 loan officer license renewal application due to Respondent's failure to comply with R.C. 1322.052 by not completing six hours of continuing education during the 2004 calendar year.

- E. R.C. 1322.031 provides that a licensee, whose employment has been terminated, may request the transfer of the license to another mortgage broker by submitting a relocation application along with a fifteen dollar fee to the superintendent. R.C. 1322.031 also provides that a licensee whose license is held in escrow shall cease activity as a loan officer.
- F. On May 25, 2005, the Division received a notice of termination from Respondent's employer, Star Point Mortgage, Inc. Respondent's loan officer license was placed in escrow.
- G. From April 22, 2005 to September 9, 2005, Respondent signed residential mortgage loan documents in six different loan transactions as a loan officer on behalf of One U.S.A. Mortgage, LLP (803224).
- H. Before working for One U.S.A. Mortgage, LLP, Respondent never filed with the Division the relocation application and fee required by R.C. 1322.031.
- I. R.C. 1322.02(A)(1) prohibits a person from acting as a mortgage broker without first having obtained a certificate of registration from the superintendent for every office to be maintained by the person for the transaction of business as a mortgage broker in this state. R.C. 1322.02(A)(2) prohibits a person from acting or holding that person's self out as a mortgage broker without first having obtained a certificate of registration from the superintendent for every office to be maintained by the person for the transaction of business as a mortgage broker in this state.
- J. On March 14, 2005, Respondent and Jack L. Jordan signed, as co-directors, the initial articles of incorporation for De Jord Co., an Ohio corporation formed for the purpose of "mortgage business."
- K. On March 14, 2005, Respondent and Jack L. Jordan signed a lease agreement on behalf of "USA Mortgage" with Hampshire Properties Ltd. for the premises located at 2925 Cincinnati-Dayton Road, Middletown, Ohio 45044. Said location was approved by the Division on August 23, 2005 as a branch office for One U.S.A. Mortgage, LLP (803224.001).
- L. For calendar year 2005, De Jord Co. filed federal tax W2's for three loan officers licensed with One U.S.A. Mortgage.
- M. An April 4, 2005 credit report from Advantage Credit lists the account name as "DeJord Co. dba One USA Mortgage."
- N. DeJord Co. is an independent corporation and is not an approved dba for One U.S.A. Mortgage.

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

- 1. As listed previously, the Division found in its 2006 Order that Respondent had violated R.C. 1322.052.

2. Respondent's actions listed in paragraphs F – H violated R.C. 1322.031.
3. Respondent's actions listed in paragraphs J – M violated R.C. 1322.02(A)(1) and (2).
4. Because Respondent failed to comply with R.C. 1322.052, 1322.04 and 1322.02(A)(1) and (2), the Division is authorized under R.C. 1322.10(A)(1)(a) to refuse to issue Respondent a loan officer license.
5. Respondent's actions, as listed above, show 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)(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 denying Respondent's application for a 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: Anthony D. Siciliano, Consumer Finance General 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 denying Respondent's loan officer license application.

Signed and sealed this 28th day of November 2006.

ROBERT M. GRIESER

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