

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120

In the matter of:

JAMES D. FEELEY
12173 Avalon Dr.
Grafton, OH 44044

)
) **Case No. 06-0092LOD**
)
) **Notice of Intent to Deny 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 enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder.

RESPONDENT

Respondent James D. Feeley ("Respondent") has applied to the Division for a loan officer license pursuant to R.C. Chapter 1322. His address of record is 12173 Avalon Dr., Grafton, OH 44044, and his date of birth is February 12, 1977. Respondent seeks to be a licensed loan officer with Future Mortgage, Inc., a mortgage broker operating under certificate of registration MB #2235.

ALLEGATIONS

Pursuant to R.C. 1322.031(B) and 1322.10(B), the Division has conducted an investigation of Respondent to determine whether Respondent meets the conditions for registration under R.C. 1322.041, and as a result thereof, alleges the following:

1. On July 15, 2005, Respondent applied to the Division for a loan officer license working for Future Mortgage, Inc.
2. R.C. 1322.041 provides that the superintendent may issue a loan officer license if certain conditions are met by the applicant. Among the stated conditions is "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." R.C. 1322.041(A)(5).

3. According to R.C. 1322.041(A)(2), a condition of licensure is that the applicant complies with sections 1322.01 to 1322.12 of the Revised Code.
4. Respondent has previously applied for and obtained a loan officer license twice.
 - (a) Respondent obtained a loan officer license to work for Future Mortgage, Inc. on May 25, 2004. Respondent did not take the exam required by R.C. 1322.051(B). Consequently, the license terminated by operation of law on or about August 23, 2004.
 - (b) Respondent reapplied and obtained a loan officer license to work for Future Mortgage, Inc. on February 2, 2005. Respondent took but failed the exam required by R.C. 1322.051(B) in May 2005. Consequently, the license terminated by operation of law on or May 3, 2005.
5. Respondent was not licensed as a loan officer from August 24, 2004 through February 1, 2005.
6. On or about September 23, 2005 the Division received a consumer complaint from individual who obtained a mortgage with the assistance of mortgage broker Future Mortgage, Inc. and loan officer James Feeley.
7. In response to the Division's investigation, Future Mortgage, Inc. provided certain mortgage documentation to the Division. This mortgage documentation demonstrated that James Feeley acted as a loan officer in assisting the complainants in obtaining a mortgage on October 19, 2004.
8. In response to subpoena by the Division, Respondent provided documentation indicating that James Feeley acted as a loan officer in assisting other consumers in obtaining a mortgage in September 2004 and October 2004, during a period he did not hold a loan officer license.
9. R.C. 1322.02(B) states: "No person, on the person's own behalf or on behalf of any other person, shall act as a loan officer without first having obtained a license from the superintendent."
10. By assisting consumers in obtaining mortgages during a period he did not hold a license, Respondent violated R.C. 1322.02(B).
11. Consequently, Respondent does not meet the conditions of licensure in R.C. 1322.041(A)(2).
12. Due to Respondent's violations of R.C. 1322.02(B), the superintendent cannot find that Respondent'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. Consequently,

Respondent does not meet the conditions for obtaining a loan officer license according to R.C. 1322.041(A)(5).

13. According to R.C. 1322.10(A)(1)(a) the superintendent of financial institutions may refuse to issue a license for a violation of or failure to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or rules adopted under those sections.

FINDINGS

Based upon the allegations above, the Division determines the following:

1. Respondent has violated R.C. 1322.02(B) by assisting consumers in obtaining mortgages during a time when he did not hold an active loan officer license.
2. Due to Respondent's violation of R.C. 1322.02(B), Respondent has not met 1322.041(A)(2), the condition of licensure which requires license applicants to comply with R.C. 1322.01 to R.C. 1322.12.
3. Due to Respondent's violation of R.C. 1322.02(B), the superintendent cannot find that "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," which is a condition of obtaining a loan officer license.
4. Because of Respondent's violation of R.C. 1322.02(B), according to R.C. 1322.10(A)(1)(a), the superintendent of financial institutions may refuse to issue a license to Respondent.

PROPOSED ACTION

Based upon the allegations and findings above, the Division intends to **DENY** Respondent, James D. Feeley a loan officer license.

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 James D. Feeley 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 to:

**State of Ohio
Department of Commerce
Division of Financial Institutions
Attn: Attorney Timothy C. Winslow
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 a loan officer license.

Signed and Sealed this ____ day of _____, 2006.

Robert M. Grieser
Deputy Superintendent of Financial Institutions

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions
Matt Lampke, Asst. Attorney General, Executive Agencies

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