

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

|                                     |   |  |
|-------------------------------------|---|--|
| In the matter of:                   | ) |  |
| <b>UNION MORTGAGE</b>               | ) | <b>Case No. 04-0327MBS</b>                         |
| <b>SERVICES, INC.</b>               | ) |  |
| <b>33360 Liberty Parkway</b>        | ) | <b>Notice of Intent to Assess Fine and Suspend</b> |
| <b>North Ridgeville, Ohio 44039</b> | ) | <b>Mortgage Broker Certificate of Registration</b> |
|                                     | ) | <b>&amp;</b>                                       |
|                                     | ) | <b>Notice of Opportunity for a Hearing</b>         |
|                                     | ) |  |
|                                     | ) |  |

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**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.

Union Mortgage Services, Inc. ("Respondent") is an Ohio corporation registered with the Division as a mortgage broker pursuant to R.C. Chapter 1322. The business address of record for Respondent's office is 921 Chatham Lane, Suite 111, Columbus, Ohio 43221. This office operates under registration number MB 0064.

**ALLEGATIONS**

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

1. A direct mailing by a mortgage broker to solicit business is considered an advertisement pursuant to rules of the Division governing mortgage brokers. (See O.A.C. § 1301:8-7-07(B)).
2. In April 2004 Respondent sent out a direct mailing to potential customers seeking to solicit business. A copy of this mailing is attached hereto as Attachment A. The mailing consisted of a pink telephone message note referring to the consumer by his or her first name, with a check mark next to "Please Call" and the message: "Good News Call John Shireman 800-496-0002." John Shireman, who has a pending application for a loan officer's license with Union Mortgage Services, Inc. is the person to whom return calls were to have been directed. John Shireman may not broker loans until his license is issued.

3. R.C. 1322.09 requires mortgage brokers to disclose in any printed, televised, broadcast, electronically transmitted, or published advertisement relating to the mortgage broker's services, the name and street address of the mortgage broker and the number designated on the certificate of registration that is issued to the mortgage broker by the superintendent of financial institutions under sections 1322.01 to 1322.12 of the Revised Code.
4. Section 1301:8-7-07(A)(1) of the Ohio Administrative Code requires every advertisement placed by a registrant state and clearly indicate the identity of the registrant in a manner that prevents confusion with the name of any other unrelated registrant. A registrant shall be identified by the number on the certificate of registration.
5. Section 1301:8-7-07(A)(2) of the Ohio Administrative Code requires every advertisement placed by a registrant to give the address on the certificate of registration. No advertisement shall provide only telephone numbers or newspaper or post office box advertisements.
6. The direct mailing of the Registrant in April 2004 failed to state the name or identity of the mortgage broker.
7. The direct mailing of the Registrant in April 2004 failed to state the address for the Registrant and provided only the telephone number of the Registrant's office.
8. The advertisement failed to include the certificate of registration number of the registrant.

### **FINDINGS**

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

1. Respondent, Union Mortgage Services, Inc. has failed to state and clearly indicate its identity and registration number in its advertisements in violation of R.C. § 1322.09 and O.A.C. § 1301:8-7-07(A)(1).
2. Respondent, Union Mortgage Services, Inc. has failed to state in advertisements its street address, and instead provided only a telephone number to contact in violation of R.C. § 1322.09 and O.A.C. § 1301:8-7-07(A)(2).

### **PROPOSED ACTION**

Based upon the allegations and findings above, the Division intends to SUSPEND the Mortgage Broker Certificate of Registration MB 0064 for UNION MORTGAGE SERVICES, INC. for a period of six months and LEVY a FINE of \$10,000.

**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 SUSPENDING the mortgage broker certificate of registration MB 0064 for UNION MORTGAGE SERVICES, INC. for a period of six months effective upon the issuance of this order, and to impose a FINE of \$10,000.

**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, 21<sup>st</sup> 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 SUSPENDING the mortgage broker certificate of registration MB 0064 for UNION MORTGAGE SERVICES, INC. for a period of six months and assessing a FINE of \$10,000.

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

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Robert M. Grieser  
Deputy Superintendent of Financial Institutions

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions  
Paula Paoletti, Asst. Attorney General, Business & Government Regulation

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