

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

In the matter of:)	Case No. M2007-144
)	
TIMOTHY H. PEARSON)	DIVISION ORDER
3438 Dayton Xenia Road)	Permanent Revocation of Loan Officer License
Beaver Creek, OH 45432)	&
)	Notice of Appellate Rights

WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), and charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, as codified in Ohio Revised Code ("R.C.") Chapter 1322, the Division finds that this Order is necessary and appropriate, in the interest of the public, and is consistent with the purposes of the Ohio Mortgage Broker Act; and

WHEREAS, Timothy H. Pearson ("Respondent") held a loan officer license issued pursuant to R.C. Chapter 1322; and

WHEREAS, on March 30, 2007, the Division issued Respondent a Notice which informed him that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

- A. The Division is authorized by R.C. 1322.10(A)(1)(b) to revoke loan officer license if the Division finds that the licensee has pleaded guilty to or been convicted of "any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, drug trafficking, or any criminal offense involving money or securities."
- B. In or around March 2007, in the United States District Court for the Southern District of Ohio, Western Division, Respondent pled guilty to one count of Conspiracy to Commit Money Laundering, in violation of 26 U.S.C. § 1956(h), and two counts of Attempting to Evade or Defeat Federal Income Tax, in violation of 26 U.S.C. § 7201, in Case No. 3:07 CR 00017. As set forth in the Statement of Facts appended to the Plea Agreement, Respondent's criminal acts involved the mortgage industry.
- C. Because Respondent has pleaded guilty to one count of Conspiracy to Commit Money Laundering and two counts of Attempting to Evade or Defeat Federal Income Tax, the Division intends to revoke Respondent's loan officer license in accordance with R.C. 1322.10(A)(1)(b).
- D. Because Respondent has pleaded guilty to an offense enumerated in R.C. 1322.10(A)(1)(b), said revocation shall be permanent pursuant to R.C. 1322.10(E).

WHEREAS, the Notice informed Respondent of the Division's intent to permanently revoke Respondent's loan officer license application and of the opportunity for a hearing regarding the denial if requested within thirty days from the mailing of the Notice. The Notice further cautioned Respondent that "[i]f the Ohio Division of Financial Institutions d[id] not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of th[e] Notice, the Superintendent w[ould] issue an order permanently revoking Respondent's loan officer license[;]"

WHEREAS, the Notice was mailed to Respondent, via certified mail, on March 30, 2007, and service was perfected;

WHEREAS, Respondent failed to request a hearing and thereby failed to defend against the Division's allegations;

WHEREAS, the Division finds that the allegations contained in the Notice are true and that Respondent's loan officer license should be permanently revoked;

Timothy H. Pearson's loan officer license is hereby permanently revoked.

It is so ordered.

NOTICE OF RIGHT TO APPEAL

Respondent is hereby notified that this Order may be appealed, pursuant to R.C. 119.12, by filing a notice of appeal with the Ohio Division of Financial Institutions, setting forth the Order appealed from and the grounds for the appeal. A copy of such notice of appeal must also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 3rd day of May 2007.

RICHARD F. KECK

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