

## As Introduced

**132nd General Assembly**

**Regular Session**

**2017-2018**

**H. B. No. 199**

**Representative Blessing**

**Cosponsors: Representatives Seitz, Wiggam, Sprague, Brenner, Hughes**

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### A BILL

To amend sections 9.02, 109.572, 1181.21, 1181.25,	1
1315.21, 1319.12, 1321.02, 1321.51, 1321.52,	2
1321.53, 1321.531, 1321.532, 1321.54, 1321.55,	3
1321.551, 1321.57, 1321.58, 1321.59, 1321.593,	4
1321.60, 1321.72, 1321.99, 1322.01, 1322.02,	5
1322.021, 1322.023, 1322.024, 1322.025, 1322.03,	6
1322.031, 1322.04, 1322.041, 1322.042, 1322.043,	7
1322.05, 1322.051, 1322.052, 1322.06, 1322.061,	8
1322.065, 1322.07, 1322.072, 1322.073, 1322.074,	9
1322.075, 1322.081, 1322.09, 1322.10, 1322.11,	10
1322.12, 1322.99, 1329.71, 1335.02, 1345.01,	11
1349.27, 1349.43, 1349.44, 1349.45, 1349.99,	12
2923.31, 4712.01, 4719.01, 4728.11, 4735.05, and	13
4763.03; to amend, for the purpose of adopting	14
new section numbers as indicated in parentheses,	15
sections 1322.02 (1322.07), 1322.021 (1322.16),	16
1322.023 (1322.05), 1322.024 (1322.02), 1322.025	17
(1322.55), 1322.03 (1322.09), 1322.031	18
(1322.20), 1322.04 (1322.10), 1322.041	19
(1322.21), 1322.042 (1322.24), 1322.043	20
(1322.25), 1322.05 (1322.32), 1322.051	21
(1322.27), 1322.052 (1322.28), 1322.06	22
(1322.34), 1322.061 (1322.36), 1322.065	23

(1322.17), 1322.07 (1322.40), 1322.072 24  
(1322.35), 1322.073 (1322.15), 1322.074 25  
(1322.41), 1322.075 (1322.42), 1322.081 26  
(1322.45), 1322.09 (1322.46), 1322.10 (1322.50), 27  
1322.101 (1322.51), 1322.11 (1322.52), and 28  
1322.12 (1322.57); to enact new sections 1322.04 29  
and 1322.12 and sections 1322.29, 1322.43, and 30  
1322.56; and to repeal sections 1321.521, 31  
1321.533, 1321.534, 1321.535, 1321.536, 32  
1321.537, 1321.538, 1321.552, 1321.592, 33  
1321.594, 1322.022, 1322.062, 1322.063, 34  
1322.064, 1322.071, and 1322.08 of the Revised 35  
Code to create the Ohio Residential Mortgage 36  
Lending Act for the purpose of regulating all 37  
non-depository lending secured by residential 38  
real estate and to limit the application of the 39  
current Mortgage Loan Law to unsecured loans and 40  
loans secured by other than residential real 41  
estate. 42

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 9.02, 109.572, 1181.21, 1181.25, 43  
1315.21, 1319.12, 1321.02, 1321.51, 1321.52, 1321.53, 1321.531, 44  
1321.532, 1321.54, 1321.55, 1321.551, 1321.57, 1321.58, 1321.59, 45  
1321.593, 1321.60, 1321.72, 1321.99, 1322.01, 1322.02, 1322.021, 46  
1322.023, 1322.024, 1322.025, 1322.03, 1322.031, 1322.04, 47  
1322.041, 1322.042, 1322.043, 1322.05, 1322.051, 1322.052, 48  
1322.06, 1322.061, 1322.065, 1322.07, 1322.072, 1322.073, 49  
1322.074, 1322.075, 1322.081, 1322.09, 1322.10, 1322.11, 50

1322.12, 1322.99, 1329.71, 1335.02, 1345.01, 1349.27, 1349.43, 51  
1349.44, 1349.45, 1349.99, 2923.31, 4712.01, 4719.01, 4728.11, 52  
4735.05, and 4763.03 be amended; sections 1322.02 (1322.07), 53  
1322.021 (1322.16), 1322.023 (1322.05), 1322.024 (1322.02), 54  
1322.025 (1322.55), 1322.03 (1322.09), 1322.031 (1322.20), 55  
1322.04 (1322.10), 1322.041 (1322.21), 1322.042 (1322.24), 56  
1322.043 (1322.25), 1322.05 (1322.32), 1322.051 (1322.27), 57  
1322.052 (1322.28), 1322.06 (1322.34), 1322.061 (1322.36), 58  
1322.065 (1322.17), 1322.07 (1322.40), 1322.072 (1322.35), 59  
1322.073 (1322.15), 1322.074 (1322.41), 1322.075 (1322.42), 60  
1322.081 (1322.45), 1322.09 (1322.46), 1322.10 (1322.50), 61  
1322.101 (1322.51), 1322.11 (1322.52), and 1322.12 (1322.57) be 62  
amended for the purpose of adopting new section numbers as shown 63  
in parentheses; and new sections 1322.04 and 1322.12 and 64  
sections 1322.29, 1322.43, and 1322.56 of the Revised Code be 65  
enacted to read as follows: 66

**Sec. 9.02.** (A) As used in this section: 67

(1) "Customer" means any person or authorized 68  
representative of that person who has maintained or is 69  
maintaining an account or deposit of any type, or has utilized 70  
or is utilizing any service of a financial institution, or for 71  
whom a financial institution has acted or is acting as a 72  
fiduciary in relation to an account or deposit maintained in the 73  
person's name. 74

(2) "Governmental authority" includes the state, any 75  
political subdivision, district, or court, and any agency, 76  
department, officer, or authorized employee of any of those 77  
entities. 78

(3) "Financial institution" means any bank, building and 79  
loan association, trust company, credit union, licensee as 80

defined in section 1321.01, ~~or~~ registrant as defined in section 81  
1321.51 of the Revised Code, or person registered as a mortgage 82  
lender under Chapter 1322. of the Revised Code. 83

(4) "Financial record" means any record, including 84  
statements or receipts, and checks, drafts, or similar 85  
instruments, or information derived from such record, that is 86  
maintained by a financial institution and that pertains to a 87  
deposit or account of a customer, a service of the financial 88  
institution utilized by a customer, or any other relationship 89  
between a customer and the financial institution. 90

(5) "Supervisory review" means any examination of or other 91  
supervisory action with respect to a financial institution, 92  
where such examination or action is conducted or taken pursuant 93  
to authority granted under the Revised Code, or rules 94  
promulgated pursuant thereto by the agency having regulatory 95  
jurisdiction over such institution. 96

(B) Any party, including a governmental authority, that 97  
requires or requests a financial institution to assemble or 98  
provide a customer's financial records in connection with any 99  
investigation, action, or proceeding shall pay the financial 100  
institution for all actual and necessary costs directly incurred 101  
in searching for, reproducing, or transporting these records, if 102  
the financial institution is not a party to the investigation, 103  
action, or proceeding, is not a subject of supervisory review in 104  
the investigation, action, or proceeding, or is a party to the 105  
investigation, action, or proceeding solely by reason of its 106  
holding of assets of another party defendant, with no cause of 107  
action alleged against the financial institution. This payment 108  
shall be made to the financial institution promptly, whether or 109  
not the financial records are entered into evidence. If the 110

records are produced pursuant to a court order or subpoena duces 111  
tecum, the party requesting the order or subpoena is responsible 112  
for making the payment. With respect to any judicial or 113  
administrative proceeding for which the records are requested, 114  
payment of these costs shall be in addition to any witness fees. 115

(C) The rates and conditions for making payments required 116  
by division (B) of this section shall be established by rule by 117  
the superintendent of financial institutions. To the extent that 118  
they are applicable, such respective rules shall be 119  
substantially like those adopted by the board of governors of 120  
the federal reserve system to regulate similar fees required by 121  
the "Right to Financial Privacy Act of 1978," 92 Stat. 3708, 12  
U.S.C.A. 3415. 123

(D)(1) This section is not intended to expand, limit, or 124  
otherwise affect any authority granted under federal law or the 125  
law of this state to any party, including a governmental 126  
authority, to procure, request, or require a customer's 127  
financial records. This section does not apply to investigations 128  
or examinations conducted under authority granted by Chapter 129  
169., 1707., 3737., or 4735. of the Revised Code. 130

(2) Division (B) of this section does not apply to 131  
financial records required to be assembled or provided pursuant 132  
to a subpoena, demand for production, request for records, or 133  
demand for inspection issued by or on motion of the attorney 134  
general or the organized crime investigations commission, to a 135  
subpoena issued by or on motion of a prosecuting attorney who 136  
has probable cause to believe that a crime has been committed, 137  
or to a subpoena issued by a grand jury, if all of the following 138  
apply: 139

(a) The financial records or copies of the financial 140

records are subpoenaed for purposes of a criminal investigation 141  
or prosecution; 142

(b) The subpoena is delivered to the financial institution 143  
at least ten days before the records are to be provided; 144

(c) The subpoena identifies individual items to be 145  
provided or is for statements of the customer's account for a 146  
specified period of time but only as is relevant to the possible 147  
crime being investigated. 148

If any financial record assembled or provided by a 149  
financial institution pursuant to such a subpoena or any 150  
information derived from the financial record is introduced as 151  
evidence in any criminal trial and if any nonindigent defendant 152  
is convicted of an offense at that trial, the trial court shall 153  
charge against the defendant, as a cost of prosecution, all 154  
actual and necessary costs directly incurred by the financial 155  
institution in searching for, reproducing, or transporting the 156  
financial records provided the financial institution is not a 157  
defendant at the trial. A defendant against whom costs are 158  
charged pursuant to this division shall pay the costs to the 159  
court which shall forward the payment to the financial 160  
institution. For purposes of this division, the trial court 161  
shall determine whether a defendant is indigent. The rates of 162  
payment established by rule pursuant to division (C) of this 163  
section shall be used by the trial court in charging costs under 164  
this division. 165

(E) Notwithstanding division (D) of this section, in any 166  
proceeding, action, or investigation that involves an alleged 167  
violation of section 2921.02, 2921.41, 2921.42, or 2921.43 of 168  
the Revised Code, that either involves a property interest of 169  
the state or occurred within the scope of state employment or 170

during the performance of a state public official's or state 171  
public servant's duties, and in which a financial institution is 172  
required or requested to assemble or provide financial records, 173  
the financial institution has a right of reimbursement from the 174  
state treasury for all actual and necessary costs incurred in 175  
searching for, reproducing, or transporting the financial 176  
records, at the rates established by rule under division (C) of 177  
this section. The reimbursement shall be made only if the 178  
financial institution is not a party to, or subject of the 179  
investigation, action, or proceeding, or is a party to the 180  
investigation, action, or proceeding solely by reason of its 181  
holding assets of another party defendant, with no cause of 182  
action alleged against the financial institution, and only if 183  
the financial institution has not acted negligently in the 184  
management of the deposit, account, service, or other 185  
relationship to which those financial records pertain. The 186  
reimbursement shall be made promptly, whether or not the 187  
financial records are entered into evidence. As used in this 188  
division, "state" means only the state of Ohio and does not 189  
include any political subdivision. 190

**Sec. 109.572.** (A) (1) Upon receipt of a request pursuant to 191  
section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised 192  
Code, a completed form prescribed pursuant to division (C) (1) of 193  
this section, and a set of fingerprint impressions obtained in 194  
the manner described in division (C) (2) of this section, the 195  
superintendent of the bureau of criminal identification and 196  
investigation shall conduct a criminal records check in the 197  
manner described in division (B) of this section to determine 198  
whether any information exists that indicates that the person 199  
who is the subject of the request previously has been convicted 200  
of or pleaded guilty to any of the following: 201

(a) A violation of section 2903.01, 2903.02, 2903.03, 202  
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 203  
2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 204  
2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 205  
2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 206  
2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 207  
2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 208  
2925.05, 2925.06, or 3716.11 of the Revised Code, felonious 209  
sexual penetration in violation of former section 2907.12 of the 210  
Revised Code, a violation of section 2905.04 of the Revised Code 211  
as it existed prior to July 1, 1996, a violation of section 212  
2919.23 of the Revised Code that would have been a violation of 213  
section 2905.04 of the Revised Code as it existed prior to July 214  
1, 1996, had the violation been committed prior to that date, or 215  
a violation of section 2925.11 of the Revised Code that is not a 216  
minor drug possession offense; 217

(b) A violation of an existing or former law of this 218  
state, any other state, or the United States that is 219  
substantially equivalent to any of the offenses listed in 220  
division (A)(1)(a) of this section; 221

(c) If the request is made pursuant to section 3319.39 of 222  
the Revised Code for an applicant who is a teacher, any offense 223  
specified in section 3319.31 of the Revised Code. 224

(2) On receipt of a request pursuant to section 3712.09 or 225  
3721.121 of the Revised Code, a completed form prescribed 226  
pursuant to division (C)(1) of this section, and a set of 227  
fingerprint impressions obtained in the manner described in 228  
division (C)(2) of this section, the superintendent of the 229  
bureau of criminal identification and investigation shall 230  
conduct a criminal records check with respect to any person who 231



has applied for employment in a position for which a criminal 232  
records check is required by those sections. The superintendent 233  
shall conduct the criminal records check in the manner described 234  
in division (B) of this section to determine whether any 235  
information exists that indicates that the person who is the 236  
subject of the request previously has been convicted of or 237  
pleaded guilty to any of the following: 238

(a) A violation of section 2903.01, 2903.02, 2903.03, 239  
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 240  
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 241  
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 242  
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 243  
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 244  
2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 245  
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 246  
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 247

(b) An existing or former law of this state, any other 248  
state, or the United States that is substantially equivalent to 249  
any of the offenses listed in division (A)(2)(a) of this 250  
section. 251

(3) On receipt of a request pursuant to section 173.27, 252  
173.38, 173.381, 3701.881, 5164.34, 5164.341, 5164.342, 253  
5123.081, or 5123.169 of the Revised Code, a completed form 254  
prescribed pursuant to division (C)(1) of this section, and a 255  
set of fingerprint impressions obtained in the manner described 256  
in division (C)(2) of this section, the superintendent of the 257  
bureau of criminal identification and investigation shall 258  
conduct a criminal records check of the person for whom the 259  
request is made. The superintendent shall conduct the criminal 260  
records check in the manner described in division (B) of this 261

section to determine whether any information exists that 262  
indicates that the person who is the subject of the request 263  
previously has been convicted of, has pleaded guilty to, or 264  
(except in the case of a request pursuant to section 5164.34,  
5164.341, or 5164.342 of the Revised Code) has been found 265  
eligible for intervention in lieu of conviction for any of the 266  
following, regardless of the date of the conviction, the date of 267  
entry of the guilty plea, or (except in the case of a request 268  
pursuant to section 5164.34, 5164.341, or 5164.342 of the 269  
Revised Code) the date the person was found eligible for 270  
intervention in lieu of conviction: 271  
272

(a) A violation of section 959.13, 959.131, 2903.01, 273  
2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 274  
2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 275  
2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 276  
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 277  
2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 278  
2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 279  
2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 280  
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 281  
2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42, 282  
2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 283  
2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 284  
2919.121, 2919.123, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, 285  
2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, 286  
2921.34, 2921.35, 2921.36, 2921.51, 2923.12, 2923.122, 2923.123, 287  
2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, 288  
2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, 289  
2925.13, 2925.14, 2925.141, 2925.22, 2925.23, 2925.24, 2925.36, 290  
2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code; 291

(b) Felonious sexual penetration in violation of former 292

section 2907.12 of the Revised Code; 293

(c) A violation of section 2905.04 of the Revised Code as 294  
it existed prior to July 1, 1996; 295

(d) A violation of section 2923.01, 2923.02, or 2923.03 of 296  
the Revised Code when the underlying offense that is the object 297  
of the conspiracy, attempt, or complicity is one of the offenses 298  
listed in divisions (A) (3) (a) to (c) of this section; 299

(e) A violation of an existing or former municipal 300  
ordinance or law of this state, any other state, or the United 301  
States that is substantially equivalent to any of the offenses 302  
listed in divisions (A) (3) (a) to (d) of this section. 303

(4) On receipt of a request pursuant to section 2151.86 of 304  
the Revised Code, a completed form prescribed pursuant to 305  
division (C) (1) of this section, and a set of fingerprint 306  
impressions obtained in the manner described in division (C) (2) 307  
of this section, the superintendent of the bureau of criminal 308  
identification and investigation shall conduct a criminal 309  
records check in the manner described in division (B) of this 310  
section to determine whether any information exists that 311  
indicates that the person who is the subject of the request 312  
previously has been convicted of or pleaded guilty to any of the 313  
following: 314

(a) A violation of section 959.13, 2903.01, 2903.02, 315  
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 316  
2903.21, 2903.211, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 317  
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 318  
2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 319  
2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.22, 320  
2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.49, 321

2917.01, 2917.02, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 322  
2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 323  
2927.12, or 3716.11 of the Revised Code, a violation of section 324  
2905.04 of the Revised Code as it existed prior to July 1, 1996, 325  
a violation of section 2919.23 of the Revised Code that would 326  
have been a violation of section 2905.04 of the Revised Code as 327  
it existed prior to July 1, 1996, had the violation been 328  
committed prior to that date, a violation of section 2925.11 of 329  
the Revised Code that is not a minor drug possession offense, 330  
two or more OVI or OVUAC violations committed within the three 331  
years immediately preceding the submission of the application or 332  
petition that is the basis of the request, or felonious sexual 333  
penetration in violation of former section 2907.12 of the 334  
Revised Code; 335

(b) A violation of an existing or former law of this 336  
state, any other state, or the United States that is 337  
substantially equivalent to any of the offenses listed in 338  
division (A) (4) (a) of this section. 339

(5) Upon receipt of a request pursuant to section 5104.013 340  
of the Revised Code, a completed form prescribed pursuant to 341  
division (C) (1) of this section, and a set of fingerprint 342  
impressions obtained in the manner described in division (C) (2) 343  
of this section, the superintendent of the bureau of criminal 344  
identification and investigation shall conduct a criminal 345  
records check in the manner described in division (B) of this 346  
section to determine whether any information exists that 347  
indicates that the person who is the subject of the request has 348  
been convicted of or pleaded guilty to any of the following: 349

(a) A violation of section 2151.421, 2903.01, 2903.02, 350  
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 351

2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 352  
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 353  
2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 354  
2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 355  
2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12, 356  
2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 357  
2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41, 358  
2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 359  
2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 360  
2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11, 361  
2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13, 362  
2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 363  
3716.11 of the Revised Code, felonious sexual penetration in 364  
violation of former section 2907.12 of the Revised Code, a 365  
violation of section 2905.04 of the Revised Code as it existed 366  
prior to July 1, 1996, a violation of section 2919.23 of the 367  
Revised Code that would have been a violation of section 2905.04 368  
of the Revised Code as it existed prior to July 1, 1996, had the 369  
violation been committed prior to that date, a violation of 370  
section 2925.11 of the Revised Code that is not a minor drug 371  
possession offense, a violation of section 2923.02 or 2923.03 of 372  
the Revised Code that relates to a crime specified in this 373  
division, or a second violation of section 4511.19 of the 374  
Revised Code within five years of the date of application for 375  
licensure or certification. 376

(b) A violation of an existing or former law of this 377  
state, any other state, or the United States that is 378  
substantially equivalent to any of the offenses or violations 379  
described in division (A) (5) (a) of this section. 380

(6) Upon receipt of a request pursuant to section 5153.111 381  
of the Revised Code, a completed form prescribed pursuant to 382

division (C) (1) of this section, and a set of fingerprint 383  
impressions obtained in the manner described in division (C) (2) 384  
of this section, the superintendent of the bureau of criminal 385  
identification and investigation shall conduct a criminal 386  
records check in the manner described in division (B) of this 387  
section to determine whether any information exists that 388  
indicates that the person who is the subject of the request 389  
previously has been convicted of or pleaded guilty to any of the 390  
following: 391

(a) A violation of section 2903.01, 2903.02, 2903.03, 392  
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 393  
2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 394  
2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 395  
2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 396  
2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 397  
2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 398  
2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised 399  
Code, felonious sexual penetration in violation of former 400  
section 2907.12 of the Revised Code, a violation of section 401  
2905.04 of the Revised Code as it existed prior to July 1, 1996, 402  
a violation of section 2919.23 of the Revised Code that would 403  
have been a violation of section 2905.04 of the Revised Code as 404  
it existed prior to July 1, 1996, had the violation been 405  
committed prior to that date, or a violation of section 2925.11 406  
of the Revised Code that is not a minor drug possession offense; 407

(b) A violation of an existing or former law of this 408  
state, any other state, or the United States that is 409  
substantially equivalent to any of the offenses listed in 410  
division (A) (6) (a) of this section. 411

(7) On receipt of a request for a criminal records check 412

from an individual pursuant to section 4749.03 or 4749.06 of the  
Revised Code, accompanied by a completed copy of the form  
prescribed in division (C)(1) of this section and a set of  
fingerprint impressions obtained in a manner described in  
division (C)(2) of this section, the superintendent of the  
bureau of criminal identification and investigation shall  
conduct a criminal records check in the manner described in  
division (B) of this section to determine whether any  
information exists indicating that the person who is the subject  
of the request has been convicted of or pleaded guilty to a  
felony in this state or in any other state. If the individual  
indicates that a firearm will be carried in the course of  
business, the superintendent shall require information from the  
federal bureau of investigation as described in division (B)(2)  
of this section. Subject to division (F) of this section, the  
superintendent shall report the findings of the criminal records  
check and any information the federal bureau of investigation  
provides to the director of public safety.

(8) On receipt of a request pursuant to section 1321.37,  
1321.53, 1321.531, ~~1322.03, 1322.031,~~ or 4763.05 of the Revised  
Code, a completed form prescribed pursuant to division (C)(1) of  
this section, and a set of fingerprint impressions obtained in  
the manner described in division (C)(2) of this section, the  
superintendent of the bureau of criminal identification and  
investigation shall conduct a criminal records check with  
respect to any person who has applied for a license, permit, or  
certification from the department of commerce or a division in  
the department. The superintendent shall conduct the criminal  
records check in the manner described in division (B) of this  
section to determine whether any information exists that  
indicates that the person who is the subject of the request

previously has been convicted of or pleaded guilty to any of the 444  
following: a violation of section 2913.02, 2913.11, 2913.31, 445  
2913.51, or 2925.03 of the Revised Code; any other criminal 446  
offense involving theft, receiving stolen property, 447  
embezzlement, forgery, fraud, passing bad checks, money 448  
laundering, or drug trafficking, or any criminal offense 449  
involving money or securities, as set forth in Chapters 2909., 450  
2911., 2913., 2915., 2921., 2923., and 2925. of the Revised 451  
Code; or any existing or former law of this state, any other 452  
state, or the United States that is substantially equivalent to 453  
those offenses. 454

(9) On receipt of a request for a criminal records check 455  
from the treasurer of state under section 113.041 of the Revised 456  
Code or from an individual under section 4701.08, 4715.101, 457  
4717.061, 4725.121, 4725.501, 4729.071, 4730.101, 4730.14, 458  
4730.28, 4731.081, 4731.15, 4731.171, 4731.222, 4731.281, 459  
4731.296, 4731.531, 4732.091, 4734.202, 4740.061, 4741.10, 460  
4755.70, 4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 461  
4762.031, 4762.06, 4776.021, 4779.091, or 4783.04 of the Revised 462  
Code, accompanied by a completed form prescribed under division 463  
(C) (1) of this section and a set of fingerprint impressions 464  
obtained in the manner described in division (C) (2) of this 465  
section, the superintendent of the bureau of criminal 466  
identification and investigation shall conduct a criminal 467  
records check in the manner described in division (B) of this 468  
section to determine whether any information exists that 469  
indicates that the person who is the subject of the request has 470  
been convicted of or pleaded guilty to any criminal offense in 471  
this state or any other state. Subject to division (F) of this 472  
section, the superintendent shall send the results of a check 473  
requested under section 113.041 of the Revised Code to the 474



treasurer of state and shall send the results of a check 475  
requested under any of the other listed sections to the 476  
licensing board specified by the individual in the request. 477

(10) On receipt of a request pursuant to section 1121.23, 478  
1155.03, 1163.05, 1315.141, 1733.47, or 1761.26 of the Revised 479  
Code, a completed form prescribed pursuant to division (C)(1) of 480  
this section, and a set of fingerprint impressions obtained in 481  
the manner described in division (C)(2) of this section, the 482  
superintendent of the bureau of criminal identification and 483  
investigation shall conduct a criminal records check in the 484  
manner described in division (B) of this section to determine 485  
whether any information exists that indicates that the person 486  
who is the subject of the request previously has been convicted 487  
of or pleaded guilty to any criminal offense under any existing 488  
or former law of this state, any other state, or the United 489  
States. 490

(11) On receipt of a request for a criminal records check 491  
from an appointing or licensing authority under section 3772.07 492  
of the Revised Code, a completed form prescribed under division 493  
(C)(1) of this section, and a set of fingerprint impressions 494  
obtained in the manner prescribed in division (C)(2) of this 495  
section, the superintendent of the bureau of criminal 496  
identification and investigation shall conduct a criminal 497  
records check in the manner described in division (B) of this 498  
section to determine whether any information exists that 499  
indicates that the person who is the subject of the request 500  
previously has been convicted of or pleaded guilty or no contest 501  
to any offense under any existing or former law of this state, 502  
any other state, or the United States that is a disqualifying 503  
offense as defined in section 3772.07 of the Revised Code or 504  
substantially equivalent to such an offense. 505

(12) On receipt of a request pursuant to section 2151.33 506  
or 2151.412 of the Revised Code, a completed form prescribed 507  
pursuant to division (C)(1) of this section, and a set of 508  
fingerprint impressions obtained in the manner described in 509  
division (C)(2) of this section, the superintendent of the 510  
bureau of criminal identification and investigation shall 511  
conduct a criminal records check with respect to any person for 512  
whom a criminal records check is required under that section. 513  
The superintendent shall conduct the criminal records check in 514  
the manner described in division (B) of this section to 515  
determine whether any information exists that indicates that the 516  
person who is the subject of the request previously has been 517  
convicted of or pleaded guilty to any of the following: 518

(a) A violation of section 2903.01, 2903.02, 2903.03, 519  
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 520  
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 521  
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 522  
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 523  
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 524  
2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 525  
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 526  
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 527

(b) An existing or former law of this state, any other 528  
state, or the United States that is substantially equivalent to 529  
any of the offenses listed in division (A)(12)(a) of this 530  
section. 531

(13) On receipt of a request pursuant to section 3796.12 532  
of the Revised Code, a completed form prescribed pursuant to 533  
division (C)(1) of this section, and a set of fingerprint 534  
impressions obtained in a manner described in division (C)(2) of 535

this section, the superintendent of the bureau of criminal 536  
identification and investigation shall conduct a criminal 537  
records check in the manner described in division (B) of this 538  
section to determine whether any information exists that 539  
indicates that the person who is the subject of the request 540  
previously has been convicted of or pleaded guilty to the 541  
following: 542

(a) A disqualifying offense as specified in rules adopted 543  
under division (B) (2) (b) of section 3796.03 of the Revised Code 544  
if the person who is the subject of the request is an 545  
administrator or other person responsible for the daily 546  
operation of, or an owner or prospective owner, officer or 547  
prospective officer, or board member or prospective board member 548  
of, an entity seeking a license from the department of commerce 549  
under Chapter 3796. of the Revised Code; 550

(b) A disqualifying offense as specified in rules adopted 551  
under division (B) (2) (b) of section 3796.04 of the Revised Code 552  
if the person who is the subject of the request is an 553  
administrator or other person responsible for the daily 554  
operation of, or an owner or prospective owner, officer or 555  
prospective officer, or board member or prospective board member 556  
of, an entity seeking a license from the state board of pharmacy 557  
under Chapter 3796. of the Revised Code. 558

(14) On receipt of a request required by section 3796.13 559  
of the Revised Code, a completed form prescribed pursuant to 560  
division (C) (1) of this section, and a set of fingerprint 561  
impressions obtained in a manner described in division (C) (2) of 562  
this section, the superintendent of the bureau of criminal 563  
identification and investigation shall conduct a criminal 564  
records check in the manner described in division (B) of this 565

section to determine whether any information exists that 566  
indicates that the person who is the subject of the request 567  
previously has been convicted of or pleaded guilty to the 568  
following: 569

(a) A disqualifying offense as specified in rules adopted 570  
under division (B) (8) (a) of section 3796.03 of the Revised Code 571  
if the person who is the subject of the request is seeking 572  
employment with an entity licensed by the department of commerce 573  
under Chapter 3796. of the Revised Code; 574

(b) A disqualifying offense as specified in rules adopted 575  
under division (B) (14) (a) of section 3796.04 of the Revised Code 576  
if the person who is the subject of the request is seeking 577  
employment with an entity licensed by the state board of 578  
pharmacy under Chapter 3796. of the Revised Code. 579

(B) Subject to division (F) of this section, the 580  
superintendent shall conduct any criminal records check to be 581  
conducted under this section as follows: 582

(1) The superintendent shall review or cause to be 583  
reviewed any relevant information gathered and compiled by the 584  
bureau under division (A) of section 109.57 of the Revised Code 585  
that relates to the person who is the subject of the criminal 586  
records check, including, if the criminal records check was 587  
requested under section 113.041, 121.08, 173.27, 173.38, 588  
173.381, 1121.23, 1155.03, 1163.05, 1315.141, 1321.37, 1321.53, 589  
1321.531, ~~1322.03, 1322.031~~, 1733.47, 1761.26, 2151.86, 3301.32, 590  
3301.541, 3319.39, 3701.881, 3712.09, 3721.121, 3772.07, 591  
3796.12, 4749.03, 4749.06, 4763.05, 5104.013, 5164.34, 5164.341, 592  
5164.342, 5123.081, 5123.169, or 5153.111 of the Revised Code, 593  
any relevant information contained in records that have been 594  
sealed under section 2953.32 of the Revised Code; 595

(2) If the request received by the superintendent asks for 596  
information from the federal bureau of investigation, the 597  
superintendent shall request from the federal bureau of 598  
investigation any information it has with respect to the person 599  
who is the subject of the criminal records check, including 600  
fingerprint-based checks of national crime information databases 601  
as described in 42 U.S.C. 671 if the request is made pursuant to 602  
section 2151.86 or 5104.013 of the Revised Code or if any other 603  
Revised Code section requires fingerprint-based checks of that 604  
nature, and shall review or cause to be reviewed any information 605  
the superintendent receives from that bureau. If a request under 606  
section 3319.39 of the Revised Code asks only for information 607  
from the federal bureau of investigation, the superintendent 608  
shall not conduct the review prescribed by division (B)(1) of 609  
this section. 610

(3) The superintendent or the superintendent's designee 611  
may request criminal history records from other states or the 612  
federal government pursuant to the national crime prevention and 613  
privacy compact set forth in section 109.571 of the Revised 614  
Code. 615

(4) The superintendent shall include in the results of the 616  
criminal records check a list or description of the offenses 617  
listed or described in division (A)(1), (2), (3), (4), (5), (6), 618  
(7), (8), (9), (10), (11), (12), (13), or (14) of this section, 619  
whichever division requires the superintendent to conduct the 620  
criminal records check. The superintendent shall exclude from 621  
the results any information the dissemination of which is 622  
prohibited by federal law. 623

(5) The superintendent shall send the results of the 624  
criminal records check to the person to whom it is to be sent 625

not later than the following number of days after the date the  
superintendent receives the request for the criminal records  
check, the completed form prescribed under division (C)(1) of  
this section, and the set of fingerprint impressions obtained in  
the manner described in division (C)(2) of this section:

(a) If the superintendent is required by division (A) of  
this section (other than division (A)(3) of this section) to  
conduct the criminal records check, thirty;

(b) If the superintendent is required by division (A)(3)  
of this section to conduct the criminal records check, sixty.

(C)(1) The superintendent shall prescribe a form to obtain  
the information necessary to conduct a criminal records check  
from any person for whom a criminal records check is to be  
conducted under this section. The form that the superintendent  
prescribes pursuant to this division may be in a tangible  
format, in an electronic format, or in both tangible and  
electronic formats.

(2) The superintendent shall prescribe standard impression  
sheets to obtain the fingerprint impressions of any person for  
whom a criminal records check is to be conducted under this  
section. Any person for whom a records check is to be conducted  
under this section shall obtain the fingerprint impressions at a  
county sheriff's office, municipal police department, or any  
other entity with the ability to make fingerprint impressions on  
the standard impression sheets prescribed by the superintendent.  
The office, department, or entity may charge the person a  
reasonable fee for making the impressions. The standard  
impression sheets the superintendent prescribes pursuant to this  
division may be in a tangible format, in an electronic format,  
or in both tangible and electronic formats.

(3) Subject to division (D) of this section, the  
superintendent shall prescribe and charge a reasonable fee for  
providing a criminal records check under this section. The  
person requesting the criminal records check shall pay the fee  
prescribed pursuant to this division. In the case of a request  
under section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47,  
1761.26, 2151.33, 2151.412, or 5164.34 of the Revised Code, the  
fee shall be paid in the manner specified in that section.

(4) The superintendent of the bureau of criminal  
identification and investigation may prescribe methods of  
forwarding fingerprint impressions and information necessary to  
conduct a criminal records check, which methods shall include,  
but not be limited to, an electronic method.

(D) The results of a criminal records check conducted  
under this section, other than a criminal records check  
specified in division (A) (7) of this section, are valid for the  
person who is the subject of the criminal records check for a  
period of one year from the date upon which the superintendent  
completes the criminal records check. If during that period the  
superintendent receives another request for a criminal records  
check to be conducted under this section for that person, the  
superintendent shall provide the results from the previous  
criminal records check of the person at a lower fee than the fee  
prescribed for the initial criminal records check.

(E) When the superintendent receives a request for  
information from a registered private provider, the  
superintendent shall proceed as if the request was received from  
a school district board of education under section 3319.39 of  
the Revised Code. The superintendent shall apply division (A) (1)  
(c) of this section to any such request for an applicant who is

a teacher. 686

(F) (1) Subject to division (F) (2) of this section, all 687  
information regarding the results of a criminal records check 688  
conducted under this section that the superintendent reports or 689  
sends under division (A) (7) or (9) of this section to the 690  
director of public safety, the treasurer of state, or the 691  
person, board, or entity that made the request for the criminal 692  
records check shall relate to the conviction of the subject 693  
person, or the subject person's plea of guilty to, a criminal 694  
offense. 695

(2) Division (F) (1) of this section does not limit, 696  
restrict, or preclude the superintendent's release of 697  
information that relates to the arrest of a person who is 698  
eighteen years of age or older, to an adjudication of a child as 699  
a delinquent child, or to a criminal conviction of a person 700  
under eighteen years of age in circumstances in which a release 701  
of that nature is authorized under division (E) (2), (3), or (4) 702  
of section 109.57 of the Revised Code pursuant to a rule adopted 703  
under division (E) (1) of that section. 704

(G) As used in this section: 705

(1) "Criminal records check" means any criminal records 706  
check conducted by the superintendent of the bureau of criminal 707  
identification and investigation in accordance with division (B) 708  
of this section. 709

(2) "Minor drug possession offense" has the same meaning 710  
as in section 2925.01 of the Revised Code. 711

(3) "OVI or OVUAC violation" means a violation of section 712  
4511.19 of the Revised Code or a violation of an existing or 713  
former law of this state, any other state, or the United States 714



that is substantially equivalent to section 4511.19 of the 715  
Revised Code. 716

(4) "Registered private provider" means a nonpublic school 717  
or entity registered with the superintendent of public 718  
instruction under section 3310.41 of the Revised Code to 719  
participate in the autism scholarship program or section 3310.58 720  
of the Revised Code to participate in the Jon Peterson special 721  
needs scholarship program. 722

**Sec. 1181.21.** (A) As used in this section, "consumer 723  
finance company" has the same meaning as in section 1181.05 of 724  
the Revised Code. 725

(B) The superintendent of financial institutions shall see 726  
that the laws relating to consumer finance companies are 727  
executed and enforced. 728

(C) The deputy superintendent for consumer finance shall 729  
be the principal supervisor of consumer finance companies. In 730  
that position the deputy superintendent for consumer finance 731  
shall, notwithstanding section 1321.421, division (A) of section 732  
1321.76, and sections 1321.07, 1321.55, ~~1322.06~~ 1322.34, 733  
4727.05, and 4728.05 of the Revised Code, be responsible for 734  
conducting examinations and preparing examination reports under 735  
those sections. In addition, the deputy superintendent for 736  
consumer finance shall, notwithstanding sections 1315.27, 737  
1321.10, 1321.43, 1321.54, 1321.77, ~~1322.12~~ 1322.57, 4712.14, 738  
4727.13, and 4728.10 of the Revised Code, have the authority to 739  
adopt rules and standards in accordance with those sections. In 740  
performing or exercising any of the examination, rule-making, or 741  
other regulatory functions, powers, or duties vested by this 742  
division in the deputy superintendent for consumer finance, the 743  
deputy superintendent for consumer finance shall be subject to 744

the control of the superintendent of financial institutions and 745  
the director of commerce. 746

**Sec. 1181.25.** The superintendent of financial institutions 747  
may introduce into evidence or disclose, or authorize to be 748  
introduced into evidence or disclosed, information that, under 749  
sections 1121.18, 1155.16, 1163.20, 1315.122, 1321.09, 1321.48, 750  
1321.55, 1321.76, ~~1322.06~~ 1322.34, ~~1322.061~~ 1322.36, 1733.32, 751  
1733.327, and 4727.18 of the Revised Code, is privileged, 752  
confidential, or otherwise not public information or a public 753  
record, provided that the superintendent acts only as provided 754  
in those sections or in the following circumstances: 755

(A) When in the opinion of the superintendent, it is 756  
appropriate with regard to any enforcement actions taken and 757  
decisions made by the superintendent under Chapters 1315., 758  
1321., 1322., 1733., 4712., 4727., and 4728. of the Revised Code 759  
or Title XI of the Revised Code; 760

(B) When litigation has been initiated by the 761  
superintendent in furtherance of the powers, duties, and 762  
obligations imposed upon the superintendent by Chapters 1315., 763  
1321., 1322., 1733., 4712., 4727., and 4728. of the Revised Code 764  
or Title XI of the Revised Code; 765

(C) When in the opinion of the superintendent, it is 766  
appropriate with regard to enforcement actions taken or 767  
decisions made by other financial institution regulatory 768  
authorities to whom the superintendent has provided the 769  
information pursuant to authority in Chapters 1315., 1321., 770  
1322., 1733., 4712., 4727., and 4728. of the Revised Code or 771  
Title XI of the Revised Code. 772

**Sec. 1315.21.** As used in sections 1315.21 to 1315.30 of 773

the Revised Code: 774

(A) "Check" means any check, draft, money order, or other 775  
instrument for the transmission or payment of money. "Check" 776  
does not include a travelers check. 777

(B) "Check-cashing business" means any person that engages 778  
in the business of cashing checks for a fee. "Check-cashing 779  
business" does not include any of the following: 780

(1) A licensee as defined in section 1321.01 of the 781  
Revised Code; 782

(2) A registrant as defined in section 1321.51 of the 783  
Revised Code; 784

(3) A financial institution; 785

(4) A person that is primarily engaged in the business of 786  
selling tangible personal property or services at retail and 787  
does not derive more than five per cent of the person's gross 788  
income from the cashing of checks; 789

(5) A person licensed under sections 1315.01 to 1315.18 of 790  
the Revised Code, or any agent of that person, to the extent 791  
that the person or the agent is engaged in cashing checks or 792  
travelers checks issued by the licensed person; 793

(6) A person registered as a mortgage lender under Chapter 794  
1322. of the Revised Code. 795

(C) "Financial institution" means any bank, trust company, 796  
savings bank, savings and loan association, or credit union, 797  
that is incorporated or organized under the laws of the United 798  
States or of any state thereof, or of Canada or any province 799  
thereof, and subject to regulation or supervision by such 800  
country, state, or province. 801

(D) "Superintendent of financial institutions" includes 802  
the deputy superintendent for consumer finance as provided in 803  
section 1181.21 of the Revised Code. 804

**Sec. 1319.12.** (A) (1) As used in this section, "collection 805  
agency" means any person who, for compensation, contingent or 806  
otherwise, or for other valuable consideration, offers services 807  
to collect an alleged debt asserted to be owed to another. 808

(2) "Collection agency" does not mean a person whose 809  
collection activities are confined to and directly related to 810  
the operation of another business, including, but not limited 811  
to, the following: 812

(a) Any bank, including the trust department of a bank, 813  
trust company, savings and loan association, savings bank, 814  
credit union, or fiduciary as defined in section 5815.04 of the 815  
Revised Code, except those that own or operate a collection 816  
agency; 817

(b) Any real estate broker or real estate salesperson, as 818  
defined in section 4735.01 of the Revised Code; 819

(c) Any retail seller collecting its own accounts; 820

(d) Any insurance company authorized to do business in 821  
this state under Title XXXIX of the Revised Code or a health 822  
insuring corporation authorized to operate in this state under 823  
Chapter 1751. of the Revised Code; 824

(e) Any public officer or judicial officer acting under 825  
order of a court; 826

(f) Any licensee as defined either in section 1321.01 or 827  
1321.71 of the Revised Code, ~~or~~ any registrant as defined in 828  
section 1321.51 of the Revised Code, or any person registered as 829

a mortgage lender under Chapter 1322. of the Revised Code; 830

(g) Any public utility; 831

(h) Any person registered to sell interment rights under 832  
section 4767.031 of the Revised Code. 833

(B) A collection agency with a place of business in this 834  
state may take assignment of another person's accounts, bills, 835  
or other evidences of indebtedness in its own name for the 836  
purpose of billing, collecting, or filing suit in its own name 837  
as the real party in interest. 838

(C) No collection agency shall commence litigation for the 839  
collection of an assigned account, bill, or other evidence of 840  
indebtedness unless it has taken the assignment in accordance 841  
with all of the following requirements: 842

(1) The assignment was voluntary, properly executed, and 843  
acknowledged by the person transferring title to the collection 844  
agency. 845

(2) The collection agency did not require the assignment 846  
as a condition to listing the account, bill, or other evidence 847  
of indebtedness with the collection agency for collection. 848

(3) The assignment was manifested by a written agreement 849  
separate from and in addition to any document intended for the 850  
purpose of listing the account, bill, or other evidence of 851  
indebtedness with the collection agency. The written agreement 852  
shall state the effective date of the assignment and the 853  
consideration paid or given, if any, for the assignment and 854  
shall expressly authorize the collection agency to refer the 855  
assigned account, bill, or other evidence of indebtedness to an 856  
attorney admitted to the practice of law in this state for the 857  
commencement of litigation. The written agreement also shall 858

disclose that the collection agency may consolidate, for 859  
purposes of filing an action, the assigned account, bill, or 860  
other evidence of indebtedness with those of other creditors 861  
against an individual debtor or co-debtors. 862

(4) Upon the effective date of the assignment to the 863  
collection agency, the creditor's account maintained by the 864  
collection agency in connection with the assigned account, bill, 865  
or other evidence of indebtedness was canceled. 866

(D) A collection agency shall commence litigation for the 867  
collection of an assigned account, bill, or other evidence of 868  
indebtedness in a court of competent jurisdiction located in the 869  
county in which the debtor resides, or in the case of co- 870  
debtors, a county in which at least one of the co-debtors 871  
resides. 872

(E) No collection agency shall commence any litigation 873  
authorized by this section unless the agency appears by an 874  
attorney admitted to the practice of law in this state. 875

(F) This section does not affect the powers and duties of 876  
any person described in division (A) (2) of this section. 877

(G) Nothing in this section relieves a collection agency 878  
from complying with the "Fair Debt Collection Practices Act," 91 879  
Stat. 874 (1977), 15 U.S.C. 1692, as amended, or deprives any 880  
debtor of the right to assert defenses as provided in section 881  
1317.031 of the Revised Code and 16 C.F.R. 433, as amended. 882

(H) For purposes of filing an action, a collection agency 883  
that has taken an assignment or assignments pursuant to this 884  
section may consolidate the assigned accounts, bills, or other 885  
evidences of indebtedness of one or more creditors against an 886  
individual debtor or co-debtors. Each separate assigned account, 887

bill, or evidence of indebtedness must be separately identified 888  
and pled in any consolidated action authorized by this section. 889  
If a debtor or co-debtor raises a good faith dispute concerning 890  
any account, bill, or other evidence of indebtedness, the court 891  
shall separate each disputed account, bill, or other evidence of 892  
indebtedness from the action and hear the disputed account, 893  
bill, or other evidence of indebtedness on its own merits in a 894  
separate action. The court shall charge the filing fee of the 895  
separate action to the losing party. 896

**Sec. 1321.02.** No person shall engage in the business of 897  
lending money, credit, or choses in action in amounts of five 898  
thousand dollars or less, or exact, contract for, or receive, 899  
directly or indirectly, on or in connection with any such loan, 900  
any interest and charges that in the aggregate are greater than 901  
the interest and charges that the lender would be permitted to 902  
charge for a loan of money if the lender were not a licensee, 903  
without first having obtained a license from the division of 904  
financial institutions under sections 1321.01 to 1321.19 of the 905  
Revised Code. 906

Sections 1321.01 to 1321.19 of the Revised Code do not 907  
apply to any person doing business under and as permitted by any 908  
law of this state, another state, or the United States relating 909  
to banks, savings banks, savings societies, trust companies, 910  
credit unions, savings and loan associations substantially all 911  
the business of which is confined to loans on real estate 912  
mortgages and evidences of their own indebtedness; to 913  
registrants conducting business pursuant to sections 1321.51 to 914  
1321.60 of the Revised Code; to licensees conducting business 915  
pursuant to sections 1321.71 to 1321.83 of the Revised Code; to 916  
licensees doing business pursuant to sections 1321.35 to 1321.48 917  
of the Revised Code; to registrants conducting business as 918

mortgage lenders under Chapter 1322. of the Revised Code; or to 919  
any entity who is licensed pursuant to Title XXXIX of the 920  
Revised Code, who makes advances or loans to any person who is 921  
licensed to sell insurance pursuant to that Title, and who is 922  
authorized in writing by that entity to sell insurance. No 923  
person engaged in the business of selling tangible goods or 924  
services related thereto may receive or retain a license under 925  
sections 1321.01 to 1321.19 of the Revised Code for such place 926  
of business. 927

The first paragraph of this section applies to any person, 928  
who by any device, subterfuge, or pretense, charges, contracts 929  
for, or receives greater interest, consideration, or charges 930  
than that authorized by this section for any such loan or use of 931  
money or for any such loan, use, or sale of credit, or who for a 932  
fee or any manner of compensation arranges or offers to find or 933  
arrange for another person to make any such loan, use, or sale 934  
of credit. This section does not preclude the acquiring, 935  
directly or indirectly, by purchase or discount, of a bona fide 936  
obligation for goods or services when such obligation is payable 937  
directly to the person who provided the goods or services. 938

Any contract of loan in the making or collection of which 939  
an act is done by the lender that violates this section is void 940  
and the lender has no right to collect, receive, or retain any 941  
principal, interest, or charges. 942

**Sec. 1321.51.** As used in sections 1321.51 to 1321.60 of 943  
the Revised Code: 944

(A) "Person" means an individual, partnership, 945  
association, trust, corporation, or any other legal entity. 946

(B) "Certificate" means a certificate of registration 947



issued under sections 1321.51 to 1321.60 of the Revised Code. 948

(C) "Registrant" means a person to whom one or more 949  
certificates of registration have been issued under sections 950  
1321.51 to 1321.60 of the Revised Code. 951

(D) "Principal amount" means the amount of cash paid to, 952  
or paid or payable for the account of, the borrower, and 953  
includes any charge, fee, or expense that is financed by the 954  
borrower at origination of the loan or during the term of the 955  
loan. 956

(E) "Interest" means all charges payable directly or 957  
indirectly by a borrower to a registrant as a condition to a 958  
loan or an application for a loan, however denominated, but does 959  
not include default charges, deferment charges, insurance 960  
charges or premiums, court costs, loan origination charges, 961  
check collection charges, credit line charges, points, 962  
prepayment penalties, or other fees and charges specifically 963  
authorized by law. 964

(F) "Interest-bearing loan" means a loan in which the debt 965  
is expressed as the principal amount and interest is computed, 966  
charged, and collected on unpaid principal balances outstanding 967  
from time to time. 968

(G) "Precomputed loan" means a loan in which the debt is a 969  
sum comprising the principal amount and the amount of interest 970  
computed in advance on the assumption that all scheduled 971  
payments will be made when due. 972

(H) "Actuarial method" means the method of allocating 973  
payments made on a loan between the principal amount and 974  
interest whereby a payment is applied first to the accumulated 975  
interest and the remainder to the unpaid principal amount. 976

(I) "Applicable charge" means the amount of interest 977  
attributable to each monthly installment period of the loan 978  
contract. The applicable charge is computed as if each 979  
installment period were one month and any charge for extending 980  
the first installment period beyond one month is ignored. In the 981  
case of loans originally scheduled to be repaid in sixty-one 982  
months or less, the applicable charge for any installment period 983  
is that proportion of the total interest contracted for, as the 984  
balance scheduled to be outstanding during that period bears to 985  
the sum of all of the periodic balances, all determined 986  
according to the payment schedule originally contracted for. In 987  
all other cases, the applicable charge for any installment 988  
period is that which would have been made for such period had 989  
the loan been made on an interest-bearing basis, based upon the 990  
assumption that all payments were made according to schedule. 991

(J) "Broker" means a person who acts as an intermediary or 992  
agent in finding, arranging, or negotiating loans, other than 993  
residential mortgage loans, and charges or receives a fee for 994  
these services. 995

(K) "Annual percentage rate" means the ratio of the 996  
interest on a loan to the unpaid principal balances on the loan 997  
for any period of time, expressed on an annual basis. 998

(L) "Point" means a charge equal to one per cent of either 999  
of the following: 1000

(1) The principal amount of a precomputed loan or 1001  
interest-bearing loan; 1002

(2) The original credit line of an open-end loan. 1003

(M) "Prepayment penalty" means a charge for prepayment of 1004  
a loan at any time prior to five years from the date the loan 1005

contract is executed. 1006

(N) "Refinancing" means a loan the proceeds of which are 1007  
used in whole or in part to pay the unpaid balance of a prior 1008  
loan made by the same registrant to the same borrower under 1009  
sections 1321.51 to 1321.60 of the Revised Code. 1010

(O) "Superintendent of financial institutions" includes 1011  
the deputy superintendent for consumer finance as provided in 1012  
section 1181.21 of the Revised Code. 1013

(P) (1) "~~Mortgage loan~~ Loan originator" means an individual 1014  
who for compensation or gain, or in anticipation of compensation 1015  
or gain, does any of the following: 1016

(a) Takes or offers to take ~~a residential mortgage loan~~ an 1017  
application for a loan made under sections 1321.51 to 1321.60 of 1018  
the Revised Code; 1019

(b) Assists or offers to assist a borrower in obtaining or 1020  
applying to obtain such a ~~residential mortgage~~ loan by, among 1021  
other things, advising on loan terms, including rates, fees, and 1022  
other costs; 1023

(c) Offers or negotiates terms of such a ~~residential~~ 1024  
~~mortgage~~ loan; 1025

(d) Issues or offers to issue a commitment for such a 1026  
~~residential mortgage~~ loan to a borrower. 1027

(2) "~~Mortgage loan~~ Loan originator" does not include any 1028  
of the following: 1029

(a) An individual who performs purely administrative or 1030  
clerical tasks on behalf of a ~~mortgage~~ loan originator; 1031

(b) ~~A person licensed pursuant to Chapter 4735. of the~~ 1032

~~Revised Code, or under the similar law of another state, who~~ 1033  
~~performs only real estate brokerage activities permitted by that~~ 1034  
~~license, provided the person is not compensated by a mortgage~~ 1035  
~~lender, mortgage broker, mortgage loan originator, or by any~~ 1036  
~~agent thereof;~~ 1037

~~(e)~~ A person solely involved in extensions of credit 1038  
relating to timeshare plans, as that term is defined in 11 1039  
U.S.C. 101, in effect on January 1, 2009; 1040

~~(d)~~ (c) A person acting solely as a loan processor or 1041  
underwriter, who does not represent to the public, through 1042  
advertising or other means of communicating, including the use 1043  
of business cards, stationery, brochures, signs, rate lists, or 1044  
other promotional items, that the person can or will perform any 1045  
of the activities of a ~~mortgage~~ loan originator; 1046

~~(e)~~ (d) A mortgage loan originator licensed under ~~sections~~ 1047  
~~1322.01 to 1322.12~~ Chapter 1322. of the Revised Code, when 1048  
acting solely under that authority; 1049

~~(f)~~ (e) A licensed attorney who negotiates the terms of a 1050  
~~residential mortgage~~ loan on behalf of a client as an ancillary 1051  
matter to the attorney's representation of the client, unless 1052  
the attorney is compensated by a lender, ~~a mortgage broker,~~ or 1053  
another ~~mortgage~~ loan originator, or by any agent thereof; 1054

~~(g)~~ (f) Any person engaged in the retail sale of 1055  
manufactured homes, mobile homes, or industrialized units if, in 1056  
connection with financing those retail sales, the person only 1057  
assists the borrower by providing or transmitting the loan 1058  
application and does not do any of the following: 1059

(i) Offer or negotiate the ~~residential mortgage~~ loan rates 1060  
or terms; 1061

(ii) Provide any counseling with borrowers about 1062  
~~residential mortgage~~ loan rates or terms; 1063

(iii) Receive any payment or fee from any company or 1064  
individual for assisting the borrower obtain or apply for 1065  
financing to purchase the manufactured home, mobile home, or 1066  
industrialized unit; 1067

(iv) Assist the borrower in completing the ~~residential-~~ 1068  
~~mortgage~~ loan application. 1069

~~(3) An individual acting exclusively as a servicer-~~ 1070  
~~engaging in loss mitigation efforts with respect to existing-~~ 1071  
~~mortgage transactions shall not be considered a mortgage loan-~~ 1072  
~~originator for purposes of sections 1321.51 to 1321.60 of the~~ 1073  
~~Revised Code until July 1, 2011, unless such delay is denied by-~~ 1074  
~~the United States department of housing and urban development.~~ 1075

(Q) ~~"Residential mortgage loan" means any loan primarily-~~ 1076  
~~for personal, family, or household use that is secured by a-~~ 1077  
~~mortgage, deed of trust, or other equivalent consensual security-~~ 1078  
~~interest on a dwelling or on residential real estate upon which-~~ 1079  
~~is constructed or intended to be constructed a dwelling. For-~~ 1080  
~~purposes of this division, "dwelling" has the same meaning as in-~~ 1081  
~~the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1602.~~ 1082

~~(R) "Nationwide mortgage licensing system and registry"-~~ 1083  
~~means a mortgage licensing system developed and maintained by-~~ 1084  
~~the conference of state bank supervisors and the American-~~ 1085  
~~association of residential mortgage regulators, or their-~~ 1086  
~~successor entities, for the licensing and registration of-~~ 1087  
~~mortgage loan originators, or any system established by the-~~ 1088  
~~secretary of housing and urban development pursuant to the-~~ 1089  
~~"Secure and Fair Enforcement for Mortgage Licensing Act of-~~ 1090

2008," 122 Stat. 2810, 12 U.S.C. 5101. 1091

~~(S) "Registered mortgage loan originator" means an~~ 1092  
~~individual to whom both of the following apply:~~ 1093

~~(1) The individual is a mortgage loan originator and an~~ 1094  
~~employee of a depository institution, a subsidiary that is owned~~ 1095  
~~and controlled by a depository institution and regulated by a~~ 1096  
~~federal banking agency, or an institution regulated by the farm~~ 1097  
~~credit administration.~~ 1098

~~(2) The individual is registered with, and maintains a~~ 1099  
~~unique identifier through, the nationwide mortgage licensing~~ 1100  
~~system and registry.~~ 1101

~~(T)~~ "Administrative or clerical tasks" means the receipt, 1102  
collection, and distribution of information common for the 1103  
processing or underwriting of a loan ~~in the mortgage industry,~~ 1104  
and communication with a consumer to obtain information 1105  
necessary for the processing or underwriting of a ~~residential-~~ 1106  
~~mortgage~~ loan. 1107

~~(U)~~ (R) "Federal banking agency" means the board of 1108  
governors of the federal reserve system, the comptroller of the 1109  
currency, the director of the office of thrift supervision, the 1110  
national credit union administration, and the federal deposit 1111  
insurance corporation. 1112

~~(V)~~ (S) "Loan processor or underwriter" means an 1113  
individual who performs clerical or support duties at the 1114  
direction of and subject to the supervision and instruction of a 1115  
licensed ~~mortgage~~ loan originator ~~or registered mortgage loan~~ 1116  
~~originator~~. For purposes of this division, to "perform clerical 1117  
or support duties" means to do all of the following activities: 1118

(1) Receiving, collecting, distributing, and analyzing 1119

information common for the processing or underwriting of a 1120  
~~residential mortgage loan;~~ 1121

(2) Communicating with a borrower to obtain the 1122  
information necessary for the processing or underwriting of a 1123  
loan, to the extent the communication does not include offering 1124  
or negotiating loan rates or terms or counseling borrowers about 1125  
~~residential mortgage loan rates or terms.~~ 1126

~~(W) "Real estate brokerage activity" means any activity~~ 1127  
~~that involves offering or providing real estate brokerage~~ 1128  
~~services to the public, including all of the following:~~ 1129

~~(1) Acting as a real estate agent or real estate broker~~ 1130  
~~for a buyer, seller, lessor, or lessee of real property;~~ 1131

~~(2) Bringing together parties interested in the sale,~~ 1132  
~~purchase, lease, rental, or exchange of real property;~~ 1133

~~(3) Negotiating, on behalf of any party, any portion of a~~ 1134  
~~contract relating to the sale, purchase, lease, rental, or~~ 1135  
~~exchange of real property, other than in connection with~~ 1136  
~~providing financing for any such transaction;~~ 1137

~~(4) Engaging in any activity for which a person engaged in~~ 1138  
~~that activity is required to be registered or licensed as a real~~ 1139  
~~estate agent or real estate broker under any applicable law;~~ 1140

~~(5) Offering to engage in any activity, or to act in any~~ 1141  
~~capacity, described in division (W) of this section.~~ 1142

~~(X)~~ (T) "Licensee" means any person that has been issued a 1143  
~~mortgage loan originator license under sections 1321.51 to~~ 1144  
1321.60 of the Revised Code. 1145

~~(Y) "Unique identifier" means a number or other identifier~~ 1146  
~~that permanently identifies a mortgage loan originator and is~~ 1147

~~assigned by protocols established by the nationwide mortgage-~~ 1148  
~~licensing system and registry or federal banking agencies to~~ 1149  
~~facilitate electronic tracking of mortgage loan originators and~~ 1150  
~~uniform identification of, and public access to, the employment~~ 1151  
~~history of and the publicly adjudicated disciplinary and~~ 1152  
~~enforcement actions against mortgage loan originators.~~ 1153

~~(Z)~~ (U) "State" in the context of referring to states in 1154  
addition to Ohio means any state of the United States, the 1155  
district of Columbia, any territory of the United States, Puerto 1156  
Rico, Guam, American Samoa, the trust territory of the Pacific 1157  
islands, the virgin islands, and the northern Mariana islands. 1158

~~(AA)~~ (V) "Depository institution" has the same meaning as 1159  
in section 3 of the "Federal Deposit Insurance Act," 64 Stat. 1160  
873, 12 U.S.C. 1813, and includes any credit union. 1161

~~(BB)~~ (W) "Bona fide third party" means a person that is 1162  
not an employee of, related to, or affiliated with, the 1163  
registrant, and that is not used for the purpose of 1164  
circumvention or evasion of sections 1321.51 to 1321.60 of the 1165  
Revised Code. 1166

~~(CC) "Nontraditional mortgage product" means any mortgage-~~ 1167  
~~product other than a thirty-year fixed rate mortgage.~~ 1168

~~(DD) "Employee" means an individual for whom a registrant-~~ 1169  
~~or applicant, in addition to providing a wage or salary, pays~~ 1170  
~~social security and unemployment taxes, provides workers'~~ 1171  
~~compensation coverage, and withholds local, state, and federal~~ 1172  
~~income taxes. "Employee" also includes any individual who acts~~ 1173  
~~as a mortgage loan originator or operations manager of the~~ 1174  
~~registrant, but for whom the registrant is prevented by law from~~ 1175  
~~making income tax withholdings.~~ 1176



~~(EE) "Primary point of contact" means the employee or~~ 1177  
~~owner designated by the registrant or applicant to be the~~ 1178  
~~individual who the division of financial institutions can~~ 1179  
~~contact regarding compliance or licensing matters relating to~~ 1180  
~~the registrant's or applicant's business or lending activities~~ 1181  
~~secured by an interest in real estate.~~ 1182

~~(FF) "Consumer reporting agency" has the same meaning as~~ 1183  
~~in the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.~~ 1184  
~~1681a, as amended.~~ 1185

~~(GG) "Mortgage broker" has the same meaning as in section~~ 1186  
~~1322.01 of the Revised Code.~~ 1187

**Sec. 1321.52.** (A) (1) No person, on that person's own 1188  
behalf or on behalf of any other person, shall do any of the 1189  
following without having first obtained a certificate of 1190  
registration from the division of financial institutions: 1191

~~(a) Advertise, solicit, or hold out that the person is~~ 1192  
~~engaged in the business of making residential mortgage loans~~ 1193  
~~secured by a mortgage on a borrower's real estate which is other~~ 1194  
~~than a first lien on the real estate;~~ 1195

~~(b) Engage in the business of lending or collecting the~~ 1196  
~~person's own or another person's money, credit, or choses in~~ 1197  
~~action for non-first lien residential mortgage loans;~~ 1198

~~(c) Employ or compensate mortgage loan originators~~ 1199  
licensed or who should be licensed under sections 1321.51 to 1200  
1321.60 of the Revised Code to conduct the business of making 1201  
~~residential mortgage loans;~~ 1202

~~(d)~~ (b) Make loans in this state of the type set forth in 1203  
division (C) of this section ~~that are unsecured or are secured~~ 1204  
~~by other than real property,~~ which loans are for more than five 1205

thousand dollars at a rate of interest greater than permitted by 1206  
section 1343.01 or other specific provisions of the Revised 1207  
Code. 1208

(2) Each person issued a certificate of registration or 1209  
license is subject to all the rules prescribed under sections 1210  
1321.51 to 1321.60 of the Revised Code. 1211

(B) (1) All loans made to persons who at the time are 1212  
residents of this state are considered as made within this state 1213  
and subject to the laws of this state, regardless of any 1214  
statement in the contract or note to the contrary, except as 1215  
follows: 1216

~~(a) If the loan is primarily secured by a lien on real 1217  
property in another state and is arranged by a mortgage loan 1218  
originator licensed by that state, the borrower may by choice of 1219  
law designate that the transaction be governed by the law where 1220  
the real property is located if the other state has consumer 1221  
protection laws covering the borrower that are applicable to the 1222  
transaction. 1223~~

~~(b) If if the loan is for the purpose of purchasing goods 1224  
acquired by the borrower when the borrower is outside of this 1225  
state, the loan may be governed by the laws of the other state. 1226~~

(2) Nothing in division (B) (1) of this section prevents a 1227  
choice of law or requires registration or licensure of persons 1228  
outside of this state in a transaction involving the 1229  
solicitation of residents of this state to obtain non-real 1230  
estate secured loans that require the borrowers to physically 1231  
visit a lender's out-of-state office to apply for and obtain the 1232  
disbursement of loan funds. 1233

(C) A registrant may make unsecured loans, ~~loans secured~~ 1234

~~by a mortgage on a borrower's real estate which is a first lien~~ 1235  
~~or other than a first lien on the real estate, and~~ loans secured 1236  
by other than real estate, ~~and loans secured by any combination~~ 1237  
~~of mortgages and security interests,~~ on terms and conditions 1238  
provided by sections 1321.51 to 1321.60 of the Revised Code. 1239

(D) (1) If a lender that is subject to sections 1321.51 to 1240  
1321.60 of the Revised Code makes a loan in violation of 1241  
division (A) (1) of this section, the lender has no right to 1242  
collect, receive, or retain any interest or charges on that 1243  
loan. 1244

(2) If a registrant applies to the division for a renewal 1245  
of the registrant's certificate after the date required by 1246  
division (A) ~~(7)~~ (6) of section 1321.53 of the Revised Code, but 1247  
prior to the first day of February of that year, and the 1248  
division approves the application, division (D) (1) of this 1249  
section does not apply with respect to any loan made by the 1250  
registrant while the registrant's certificate was expired. 1251

(3) If a person's registration under sections 1321.51 to 1252  
1321.60 of the Revised Code terminates due to nonrenewal or 1253  
otherwise but the person continues to engage in the business of 1254  
collecting or servicing ~~non-first lien residential mortgage~~ 1255  
loans in violation of division (A) (1) of this section, the 1256  
superintendent of financial institutions may take administrative 1257  
action, including action on any subsequent application for a 1258  
certificate of registration. ~~In addition, no late fee, bad check~~ 1259  
~~charge except as incurred, charge related to default or cost to~~ 1260  
~~realize on its security interest, or prepayment penalty on non~~ 1261  
~~first lien residential mortgage loans shall be collected or~~ 1262  
~~retained by a person who is in violation of division (A) (1) (b)~~ 1263  
~~of this section for the period of time in which the person was~~ 1264

~~in violation.~~ Nothing in division (D) (3) of this section 1265  
prevents or otherwise precludes any other actions or penalties 1266  
provided by law or modifies a defense of holder in due course 1267  
that a subsequent purchaser servicing the ~~residential mortgage~~ 1268  
loan may raise. 1269

(E) ~~(1)~~ No individual shall engage in the business of a 1270  
~~mortgage~~ loan originator without first obtaining and maintaining 1271  
annually a license pursuant to section 1321.532 of the Revised 1272  
Code from the division of financial institutions. A ~~mortgage~~ 1273  
loan originator shall be employed or associated with a 1274  
registrant or entity exempt from registration under sections 1275  
1321.51 to 1321.60 of the Revised Code, but shall not be 1276  
employed by or associated with more than one registrant or 1277  
exempt entity at any one time. 1278

~~(2) An individual acting under the individual's authority~~ 1279  
~~as a registered mortgage loan originator shall not be required~~ 1280  
~~to be licensed under division (E) (1) of this section.~~ 1281

~~(3) An individual who holds a valid temporary mortgage~~ 1282  
~~loan originator license issued pursuant to section 1321.537 of~~ 1283  
~~the Revised Code may engage in the business of a mortgage loan~~ 1284  
~~originator in accordance with sections 1321.51 to 1321.60 of the~~ 1285  
~~Revised Code during the term of the temporary license.~~ 1286

(F) (1) ~~Each licensee shall register with, and maintain a~~ 1287  
~~valid unique identifier issued by, the nationwide mortgage~~ 1288  
~~licensing system and registry.~~ 1289

~~(2) No person shall use a licensee's unique identifier for~~ 1290  
~~any purpose other than as set forth in the "Secure and Fair~~ 1291  
~~Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810,~~ 1292  
~~12 U.S.C. 5101.~~ 1293

~~(G) (1)~~ If a person that is subject to sections 1321.51 to 1294  
1321.60 of the Revised Code makes a loan in violation of 1295  
division (A) (1) ~~(d)~~ (b) of this section and subsequently sells or 1296  
assigns that loan, the person is liable to the borrower for any 1297  
interest paid on that loan to the holder or assignee in excess 1298  
of the rate that would be applicable in the absence of sections 1299  
1321.51 to 1321.60 of the Revised Code, in addition to any 1300  
interest or charges paid on that loan to the unauthorized lender 1301  
as provided by division (D) (1) of this section. 1302

(2) If a person that is subject to sections 1321.51 to 1303  
1321.60 of the Revised Code makes a ~~residential mortgage~~ loan in 1304  
violation of division (A) (1) ~~(b) or (c)~~ (a) of this section and 1305  
subsequently sells or assigns that loan, the lender is liable to 1306  
the borrower for any interest paid on that loan to the holder or 1307  
assignee in excess of the rate set forth in division (B) (4) of 1308  
section 1343.01 of the Revised Code, in addition to any interest 1309  
or charges paid on that loan to the unauthorized lender as 1310  
provided by division (D) (1) of this section. 1311

**Sec. 1321.53.** (A) (1) An application for a certificate of 1312  
registration under sections 1321.51 to 1321.60 of the Revised 1313  
Code shall contain an undertaking by the applicant to abide by 1314  
those sections. The application shall be in writing, under oath, 1315  
and in the form prescribed by the division of financial 1316  
institutions, and shall contain any information that the 1317  
division may require. Applicants that are foreign corporations 1318  
shall obtain and maintain a license pursuant to Chapter 1703. of 1319  
the Revised Code before a certificate is issued or renewed. 1320

(2) Upon the filing of the application and the payment by 1321  
the applicant of a nonrefundable two-hundred-dollar 1322  
investigation fee, and a nonrefundable three-hundred-dollar 1323

annual registration fee, ~~and any additional fee required by the~~ 1324  
~~nationwide mortgage licensing system and registry,~~ the division 1325  
shall investigate the relevant facts. If the application 1326  
involves investigation outside this state, the applicant may be 1327  
required by the division to advance sufficient funds to pay any 1328  
of the actual expenses of such investigation, when it appears 1329  
that these expenses will exceed two hundred dollars. An itemized 1330  
statement of any of these expenses which the applicant is 1331  
required to pay shall be furnished to the applicant by the 1332  
division. No certificate shall be issued unless all the required 1333  
fees have been submitted to the division. 1334

~~(3) All applicants making loans secured by an interest in~~ 1335  
~~real estate shall designate an employee or owner of the~~ 1336  
~~applicant as the applicant's primary point of contact. While~~ 1337  
~~acting as the primary point of contact, the employee or owner~~ 1338  
~~shall not be employed by any other registrant or mortgage~~ 1339  
~~broker.~~ 1340

~~(4)~~ The investigation undertaken upon application shall 1341  
include both a civil and criminal records check of the applicant 1342  
including any individual whose identity is required to be 1343  
disclosed in the application. Where the applicant is a business 1344  
entity the superintendent shall have the authority to require a 1345  
civil and criminal background check of those persons that in the 1346  
determination of the superintendent have the authority to direct 1347  
and control the operations of the applicant. 1348

~~(5)~~ (4) (a) Notwithstanding division (K) of section 121.08 1349  
of the Revised Code, the superintendent of financial 1350  
institutions shall obtain a criminal history records check and, 1351  
as part of that records check, request that criminal record 1352  
information from the federal bureau of investigation be 1353

obtained. To fulfill this requirement, the superintendent shall 1354  
~~do either of the following:~~ 1355

~~(i) Request~~ request the superintendent of the bureau of 1356  
criminal identification and investigation, or a vendor approved 1357  
by the bureau, to conduct a criminal records check based on the 1358  
applicant's fingerprints or, if the fingerprints are unreadable, 1359  
based on the applicant's social security number, in accordance 1360  
with section 109.572 of the Revised Code. 1361

~~(ii) Authorize the nationwide mortgage licensing system~~ 1362  
~~and registry to request a criminal history background check as~~ 1363  
~~set forth in division (C) of section 1321.531 of the Revised~~ 1364  
~~Code.~~ 1365

(b) Any fee required under division (C) (3) of section 1366  
109.572 of the Revised Code ~~or by the nationwide mortgage~~ 1367  
~~licensing system and registry~~ shall be paid by the applicant. 1368

~~(6)~~ (5) If an application for a certificate of 1369  
registration does not contain all of the information required 1370  
under division (A) of this section, and if such information is 1371  
not submitted to the division ~~or to the nationwide mortgage~~ 1372  
~~licensing system and registry~~ within ninety days after the 1373  
superintendent ~~or the nationwide mortgage licensing system and~~ 1374  
~~registry~~ requests the information in writing, including by 1375  
electronic transmission or facsimile, the superintendent may 1376  
consider the application withdrawn. 1377

~~(7)~~ (6) If the division finds that the financial 1378  
responsibility, experience, character, and general fitness of 1379  
the applicant command the confidence of the public and warrant 1380  
the belief that the business will be operated honestly and 1381  
fairly in compliance with the purposes of sections 1321.51 to 1382

1321.60 of the Revised Code and the rules adopted thereunder, 1383  
and that the applicant has the ~~requisite bond or~~ applicable net 1384  
worth and assets required by division (B) of this section, the 1385  
division shall thereupon issue a certificate of registration to 1386  
the applicant. The superintendent shall not use a credit score 1387  
as the sole basis for a registration denial. 1388

(a) (i) Certificates of registration issued on or after 1389  
July 1, 2010, shall annually expire on the thirty-first day of 1390  
December, unless renewed by the filing of a renewal application 1391  
and payment of a three-hundred-dollar nonrefundable annual 1392  
registration fee, and any assessment as determined by the 1393  
superintendent pursuant to division (A) ~~(7)~~ (6) (a) (ii) of this 1394  
section, ~~and any additional fee required by the nationwide~~ 1395  
~~mortgage licensing system and registry,~~ on or before the last 1396  
day of December of each year. No other fee or assessment shall 1397  
be required of a registrant by the state or any political 1398  
subdivision of this state. 1399

(ii) If the renewal fees billed by the superintendent 1400  
pursuant to division (A) ~~(7)~~ (6) (a) (i) of this section are less 1401  
than the estimated expenditures of the consumer finance section 1402  
of the division of financial institutions, as determined by the 1403  
superintendent, for the following fiscal year, the 1404  
superintendent may assess each registrant at a rate sufficient 1405  
to equal in the aggregate the difference between the renewal 1406  
fees billed and the estimated expenditures. Each registrant 1407  
shall pay the assessed amount to the superintendent prior to the 1408  
last day of June. In no case shall the assessment exceed ten 1409  
cents per each one hundred dollars of interest (excluding 1410  
charge-off recoveries), points, loan origination charges, and 1411  
credit line charges collected by that registrant during the 1412  
previous calendar year. If such an assessment is imposed, it 1413



shall not be less than two hundred fifty dollars per registrant 1414  
and shall not exceed thirty thousand dollars less the total 1415  
renewal fees paid pursuant to division (A) ~~(7)~~ (6) (a) (i) of this 1416  
section by each registrant. 1417

(b) Registrants shall timely file renewal applications on 1418  
forms prescribed by the division and provide any further 1419  
information that the division may require. If a renewal 1420  
application does not contain all of the information required 1421  
under this section, and if that information is not submitted to 1422  
the division ~~or to the nationwide mortgage licensing system and~~ 1423  
~~registry~~ within ninety days after the superintendent ~~or the~~ 1424  
~~nationwide mortgage licensing system and registry~~ requests the 1425  
information in writing, including by electronic transmission or 1426  
facsimile, the superintendent may consider the application 1427  
withdrawn. 1428

(c) Renewal shall not be granted if the applicant's 1429  
certificate of registration is subject to an order of 1430  
suspension, revocation, or an unpaid and past due fine imposed 1431  
by the superintendent. 1432

(d) If the division finds the applicant does not meet the 1433  
conditions set forth in this section, it shall issue a notice of 1434  
intent to deny the application, and forthwith notify the 1435  
applicant of the denial, the grounds for the denial, and the 1436  
applicant's reasonable opportunity to be heard on the action in 1437  
accordance with Chapter 119. of the Revised Code. 1438

~~(8)~~ (7) If there is a change of five per cent or more in 1439  
the ownership of a registrant, the division may make any 1440  
investigation necessary to determine whether any fact or 1441  
condition exists that, if it had existed at the time of the 1442  
original application for a certificate of registration, the fact 1443

or condition would have warranted the division to deny the 1444  
application under division (A) ~~(7)~~ (6) of this section. If such a 1445  
fact or condition is found, the division may, in accordance with 1446  
Chapter 119. of the Revised Code, revoke the registrant's 1447  
certificate. 1448

(B) Each registrant that engages in lending under sections 1449  
1321.51 to 1321.60 of the Revised Code shall, ~~if not otherwise~~ 1450  
~~required to be bonded pursuant to section 1321.533 of the~~ 1451  
~~Revised Code,~~ maintain both of the following: 1452

(1) A net worth of at least fifty thousand dollars; 1453

(2) For each certificate of registration, assets of at 1454  
least fifty thousand dollars either in use or readily available 1455  
for use in the conduct of the business. 1456

(C) Not more than one place of business shall be 1457  
maintained under the same certificate, but the division may 1458  
issue additional certificates to the same registrant upon 1459  
compliance with sections 1321.51 to 1321.60 of the Revised Code, 1460  
governing the issuance of a single certificate. No change in the 1461  
place of business of a registrant to a location outside the 1462  
original municipal corporation shall be permitted under the same 1463  
certificate without the approval of a new application, the 1464  
payment of the registration fee and, if required by the 1465  
superintendent, the payment of an investigation fee of two 1466  
hundred dollars. When a registrant wishes to change its place of 1467  
business within the same municipal corporation, it shall give 1468  
written notice of the change in advance to the division, which 1469  
shall provide a certificate for the new address without cost. If 1470  
a registrant changes its name, prior to making loans under the 1471  
new name it shall give written notice of the change to the 1472  
division, which shall provide a certificate in the new name 1473

without cost. Sections 1321.51 to 1321.60 of the Revised Code do 1474  
not limit the loans of any registrant to residents of the 1475  
community in which the registrant's place of business is 1476  
situated. Each certificate shall be kept conspicuously posted in 1477  
the place of business of the registrant and is not transferable 1478  
or assignable. 1479

(D) Sections 1321.51 to 1321.60 of the Revised Code do not 1480  
apply to any of the following: 1481

(1) Entities chartered and lawfully doing business under 1482  
the authority of any law of this state, another state, or the 1483  
United States as a bank, savings bank, trust company, savings 1484  
and loan association, or credit union, or a subsidiary of any 1485  
such entity, which subsidiary is regulated by a federal banking 1486  
agency and is owned and controlled by such a depository 1487  
institution; 1488

(2) Life, property, or casualty insurance companies 1489  
licensed to do business in this state; 1490

(3) Any person that is a lender making a loan pursuant to 1491  
sections 1321.01 to 1321.19 of the Revised Code or a business 1492  
loan as described in division (B) (6) of section 1343.01 of the 1493  
Revised Code; 1494

(4) Any political subdivision, or any governmental or 1495  
other public entity, corporation, instrumentality, or agency, in 1496  
or of the United States or any state of the United States, or 1497  
any entity described in division (B) (3) of section 1343.01 of 1498  
the Revised Code; 1499

(5) A college or university, or controlled entity of a 1500  
college or university, as those terms are defined in section 1501  
1713.05 of the Revised Code; 1502

(6) A credit union service organization, provided the  
organization ~~utilizes services provided by registered mortgage-~~  
~~loan originators or the organization~~ complies with section  
1321.522 of the Revised Code and holds a valid letter of  
exemption issued by the superintendent.

(E) No person engaged in the business of selling tangible  
goods or services related to tangible goods may receive or  
retain a certificate under sections 1321.51 to 1321.60 of the  
Revised Code for such place of business.

**Sec. 1321.531.** (A) An application for a ~~mortgage~~-loan  
originator license shall be in writing, under oath, and in the  
form prescribed by the superintendent of financial institutions.  
The application shall be accompanied by a nonrefundable  
application fee of one hundred fifty dollars and all other  
required fees, ~~including any fees required by the nationwide-~~  
~~mortgage licensing system and registry.~~

(B) ~~The superintendent may establish relationships or-~~  
~~enter into contracts with the nationwide mortgage licensing-~~  
~~system and registry, or any entities designated by it, to-~~  
~~collect and maintain records and process transaction fees or-~~  
~~other fees related to mortgage loan originator licensees or-~~  
~~other persons subject to or involved in their licensure.~~

~~(C) In connection with applying for a mortgage loan-~~  
~~originator license, the applicant shall furnish to the-~~  
~~nationwide mortgage licensing system and registry the following-~~  
~~information concerning the applicant's identity.~~

~~(1) The applicant's fingerprints for submission to the-~~  
~~federal bureau of investigation, and any other governmental-~~  
~~agency or entity authorized to receive such information, for-~~

~~purposes of a state, national, and international criminal~~ 1532  
~~history background check.~~ 1533

~~(2) Personal history and experience in a form prescribed~~ 1534  
~~by the nationwide mortgage licensing system and registry, along~~ 1535  
~~with authorization for the superintendent and the nationwide~~ 1536  
~~mortgage licensing system and registry to obtain the following:~~ 1537

~~(a) An independent credit report from a consumer reporting~~ 1538  
~~agency.~~ 1539

~~(b) Information related to any administrative, civil, or~~ 1540  
~~criminal findings by any governmental jurisdiction.~~ 1541

~~(D) In order to effectuate the purposes of divisions (C)~~ 1542  
~~(1) and (C) (2) (b) of this section, the superintendent may use~~ 1543  
~~the conference of state bank supervisors, or a wholly owned~~ 1544  
~~subsidiary, as a channeling agent for requesting information~~ 1545  
~~from and distributing information to the United States~~ 1546  
~~department of justice or any other governmental agency. The~~ 1547  
~~superintendent may also use the nationwide mortgage licensing~~ 1548  
~~system and registry as a channeling agent for requesting~~ 1549  
~~information from and distributing information to any source~~ 1550  
~~related to matters subject to divisions (C) (2) (a) and (b) of~~ 1551  
~~this section.~~ 1552

~~(E) Upon the filing of the application, payment of the~~ 1553  
~~application fee, and payment of any additional fee, including~~ 1554  
~~any fee required by the nationwide mortgage licensing system and~~ 1555  
~~registry, the superintendent shall investigate the applicant as~~ 1556  
~~set forth in division (E) (B) of this section.~~ 1557

(1) (a) Notwithstanding division (K) of section 121.08 of 1558  
the Revised Code, the superintendent shall obtain a criminal 1559  
history records check and, as part of that records check, 1560

request that criminal record information from the federal bureau 1561  
of investigation be obtained. To fulfill this requirement, the 1562  
superintendent shall ~~do either of the following:~~ 1563

~~(i) Request~~ request the superintendent of the bureau of 1564  
criminal identification and investigation, or a vendor approved 1565  
by the bureau, to conduct a criminal records check based on the 1566  
applicant's fingerprints or, if the fingerprints are unreadable, 1567  
based on the applicant's social security number in accordance 1568  
with section 109.572 of the Revised Code. 1569

~~(ii) Authorize the nationwide mortgage licensing system~~ 1570  
~~and registry to request a criminal history background check as~~ 1571  
~~set forth in division (C) of this section.~~ 1572

(b) Any fee required under division (C) (3) of section 1573  
109.572 of the Revised Code ~~or by the nationwide mortgage~~ 1574  
~~licensing system and registry~~ shall be paid by the applicant. 1575

(2) The superintendent of financial institutions shall 1576  
conduct a civil records check. 1577

(3) If, in order to issue a license to an applicant, 1578  
additional investigation by the superintendent outside this 1579  
state is necessary, the superintendent may require the applicant 1580  
to advance sufficient funds to pay the actual expenses of the 1581  
investigation, if it appears that these expenses will exceed one 1582  
hundred dollars. The superintendent shall provide the applicant 1583  
with an itemized statement of the actual expenses that the 1584  
applicant is required to pay. 1585

~~(F) (C)~~ If an application for a ~~mortgage~~ loan originator 1586  
license does not contain all of the information required under 1587  
this section, and if that information is not submitted to the 1588  
superintendent ~~or to the nationwide mortgage licensing system~~ 1589

~~and registry~~ within ninety days after the superintendent ~~or the~~ 1590  
~~nationwide mortgage licensing system and registry~~ requests the 1591  
information in writing, including by electronic transmission or 1592  
facsimile, the superintendent may consider the application 1593  
withdrawn. 1594

**Sec. 1321.532.** (A) Upon the conclusion of the 1595  
investigation required under division ~~(E)~~ (B) of section 1596  
1321.531 of the Revised Code, the superintendent of financial 1597  
institutions shall issue a ~~mortgage~~ loan originator license to 1598  
the applicant if the superintendent finds that all of the 1599  
following conditions are met: 1600

(1) The application is accompanied by the application fee 1601  
~~and any additional fee required by the nationwide mortgage~~ 1602  
~~licensing system and registry.~~ 1603

If a check or other draft instrument is returned to the 1604  
superintendent for insufficient funds, the superintendent shall 1605  
notify the licensee by certified mail, return receipt requested, 1606  
that the license issued in reliance on the check or other draft 1607  
instrument will be canceled unless the licensee, within thirty 1608  
days after receipt of the notice, submits the application fee 1609  
and a one-hundred-dollar penalty to the superintendent. If the 1610  
licensee does not submit the application fee and penalty within 1611  
that time period, or if any check or other draft instrument used 1612  
to pay the fee or penalty is returned to the superintendent for 1613  
insufficient funds, the license shall be canceled immediately 1614  
without a hearing, and the licensee shall cease activity as a 1615  
mortgage loan originator. 1616

(2) The applicant complies with sections 1321.51 to 1617  
1321.60 of the Revised Code. 1618

(3) The applicant has not had a ~~mortgage~~-loan originator  
license, or comparable authority, revoked in any governmental  
jurisdiction.

(4) The applicant has not been convicted of, or pleaded  
guilty or nolo contendere to, any of the following in a  
domestic, foreign, or military court:

(a) During the seven-year period immediately preceding the  
date of application for licensure, a misdemeanor involving theft  
or any felony;

(b) At any time prior to the date of application for  
licensure, a felony involving an act of fraud, dishonesty, a  
breach of trust, theft, or money laundering.

(5) Based on the totality of the circumstances and  
information submitted in the application, the applicant has  
proven to the division of financial institutions, by a  
preponderance of the evidence, that the applicant is of good  
business repute, appears qualified to act as a ~~mortgage~~-loan  
originator, and has fully complied with sections 1321.51 to  
1321.60 of the Revised Code and rules adopted thereunder, and  
that the applicant meets all of the conditions for issuing a  
~~mortgage~~-loan originator license.

~~(6) The applicant successfully completed the written test  
required under section 1321.535 of the Revised Code and the  
education requirements set forth in section 1321.534 of the  
Revised Code.~~

~~(7) The applicant is covered under a valid bond in  
compliance with section 1321.533 of the Revised Code.~~

~~(8)~~ The applicant's financial responsibility, character,  
and general fitness command the confidence of the public and



warrant the belief that the ~~mortgage~~-loan originator will 1648  
operate honestly and fairly in compliance with the purposes of 1649  
sections 1321.51 to 1321.60 of the Revised Code. The 1650  
superintendent shall not use a credit score as the sole basis 1651  
for a license denial. 1652

(B) The license issued under division (A) of this section 1653  
may be renewed annually on or before the thirty-first day of 1654  
December if the superintendent finds that all of the following 1655  
conditions are met: 1656

(1) The renewal application is accompanied by a 1657  
nonrefundable renewal fee of one hundred fifty dollars, ~~and any~~ 1658  
~~additional fee required by the nationwide mortgage licensing~~ 1659  
~~system and registry.~~ If a check or other draft instrument is 1660  
returned to the superintendent for insufficient funds, the 1661  
superintendent shall notify the licensee by certified mail, 1662  
return receipt requested, that the license renewed in reliance 1663  
on the check or other draft instrument will be canceled unless 1664  
the licensee, within thirty days after receipt of the notice, 1665  
submits the renewal fee and a one-hundred-dollar penalty to the 1666  
superintendent. If the licensee does not submit the renewal fee 1667  
and penalty within that time period, or if any check or other 1668  
draft instrument used to pay the fee or penalty is returned to 1669  
the superintendent for insufficient funds, the license shall be 1670  
canceled immediately without a hearing, and the licensee shall 1671  
cease activity as a ~~mortgage~~-loan originator. 1672

(2) ~~The applicant has completed at least eight hours of~~ 1673  
~~continuing education as required under section 1321.536 of the~~ 1674  
~~Revised Code.~~ 1675

~~(3)~~ The applicant meets the conditions set forth in 1676  
divisions (A) (2) to ~~(8)~~ (6) of this section. 1677

~~(4)~~ (3) The applicant's license is not subject to an order 1678  
of suspension or an unpaid and past due fine imposed by the 1679  
superintendent. 1680

(C) (1) Subject to division (C) (2) of this section, if a 1681  
license renewal application or fee, ~~including any additional fee~~ 1682  
~~required by nationwide mortgage licensing system and registry,~~ 1683  
is received by the superintendent after the thirty-first day of 1684  
December, the license shall not be considered renewed, and the 1685  
applicant shall cease activity as a ~~mortgage~~ loan originator. 1686

(2) Division (C) (1) of this section shall not apply if the 1687  
applicant, no later than the thirty-first day of January, 1688  
submits the renewal application and fee, ~~including any~~ 1689  
~~additional fee required by nationwide mortgage licensing system~~ 1690  
~~and registry,~~ and a one-hundred-dollar penalty to the 1691  
superintendent. 1692

(D) ~~Mortgage loan~~ Loan originator licenses issued on or 1693  
after July 1, 2010, shall annually expire on the thirty-first 1694  
day of December. 1695

(E) If a renewal application does not contain all of the 1696  
information required under this section, and if that information 1697  
is not submitted to the superintendent ~~or to the nationwide~~ 1698  
~~mortgage licensing system and registry~~ within ninety days after 1699  
the superintendent ~~or the nationwide mortgage licensing system~~ 1700  
~~and registry~~ requests the information in writing, including by 1701  
electronic transmission or facsimile, the superintendent may 1702  
consider the application withdrawn. 1703

**Sec. 1321.54.** (A) The division of financial institutions 1704  
may adopt, in accordance with Chapter 119. of the Revised Code, 1705  
rules that are necessary for the enforcement or administration 1706

of sections 1321.51 to 1321.60 of the Revised Code and that are 1707  
consistent with those sections and rules to carry out the 1708  
purposes of those sections. 1709

(B) (1) The division may, upon written notice to the 1710  
registrant or licensee stating the contemplated action, the 1711  
grounds for the action, and the registrant's or licensee's 1712  
reasonable opportunity to be heard on the action in accordance 1713  
with Chapter 119. of the Revised Code, revoke, suspend, or 1714  
refuse to renew any certificate or license issued under sections 1715  
1321.51 to 1321.60 of the Revised Code if it finds any of the 1716  
following: 1717

(a) A violation of or failure to comply with any provision 1718  
of sections 1321.51 to 1321.60 of the Revised Code or the rules 1719  
adopted thereunder, any federal lending law, or any other law 1720  
applicable to the business conducted under a certificate of 1721  
registration or license; 1722

(b) The person has been convicted of or pleaded guilty or 1723  
nolo contendere to any criminal felony offense in a domestic, 1724  
foreign, or military court; 1725

(c) The person has been convicted of or pleaded guilty or 1726  
nolo contendere to any criminal offense involving theft, 1727  
receiving stolen property, embezzlement, forgery, fraud, passing 1728  
bad checks, money laundering, breach of trust, dishonesty, or 1729  
drug trafficking, or any criminal offense involving money or 1730  
securities, in a domestic, foreign, or military court; 1731

(d) The person's ~~mortgage lender~~ certificate of 1732  
registration or ~~mortgage~~ loan originator license, or comparable 1733  
authority, has been revoked in any governmental jurisdiction. 1734

(2) In addition to, or in lieu of, any revocation, 1735

suspension, or denial, the division may impose a monetary fine 1736  
after administrative hearing or in settlement of matters subject 1737  
to claims under division (B) (1) (a) of this section. 1738

(3) Subject to division (D) (3) of section 1321.52 of the 1739  
Revised Code, the revocation, suspension, or refusal to renew 1740  
shall not impair the obligation of any pre-existing lawful 1741  
contract made under sections 1321.51 to 1321.60 of the Revised 1742  
Code; provided, however, that a prior registrant shall make good 1743  
faith efforts to promptly transfer the registrant's collection 1744  
rights to another registrant or person exempt from registration, 1745  
or be subject to additional monetary fines and legal or 1746  
administrative action by the division. Nothing in division (B) 1747  
(3) of this section shall limit a court's ability to impose a 1748  
cease and desist order preventing any further business or 1749  
servicing activity. 1750

(C) (1) The superintendent of financial institutions may 1751  
impose a fine for a violation of sections 1321.51 to 1321.60 of 1752  
the Revised Code or any rule adopted thereunder. All fines 1753  
collected pursuant to this section shall be paid to the 1754  
treasurer of state to the credit of the consumer finance fund 1755  
created in section 1321.21 of the Revised Code. In determining 1756  
the amount of a fine to be imposed pursuant to this section, the 1757  
superintendent may consider all of the following to the extent 1758  
it is known to the division of financial institutions: 1759

(a) The seriousness of the violation; 1760

(b) The registrant's or licensee's good faith efforts to 1761  
prevent the violation; 1762

(c) The registrant's or licensee's history regarding 1763  
violations and compliance with division orders; 1764

(d) The registrant's or licensee's financial resources; 1765

(e) Any other matters the superintendent considers 1766  
appropriate in enforcing sections 1321.51 to 1321.60 of the 1767  
Revised Code. 1768

(2) Monetary fines imposed under this division shall not 1769  
exceed twenty-five thousand dollars and do not preclude any 1770  
criminal fine imposed pursuant to section 1321.99 of the Revised 1771  
Code. 1772

(D) The superintendent may investigate alleged violations 1773  
of sections 1321.51 to 1321.60 of the Revised Code, or the rules 1774  
adopted thereunder, or complaints concerning any such violation. 1775  
The superintendent may make application to the court of common 1776  
pleas for an order enjoining any violation and, upon a showing 1777  
by the superintendent that a person has committed, or is about 1778  
to commit, a violation, the court shall grant an injunction, 1779  
restraining order, or other appropriate relief. The 1780  
superintendent, in making application to the court of common 1781  
pleas for an order enjoining a person from acting as a 1782  
registrant or ~~mortgage~~-loan originator in violation of division 1783  
(A) or (E) of section 1321.52 of the Revised Code, may also seek 1784  
and obtain civil penalties for that unregistered or unlicensed 1785  
conduct in an amount not to exceed five thousand dollars per 1786  
violation. 1787

(E) In conducting an investigation pursuant to this 1788  
section, the superintendent may compel, by subpoena, witnesses 1789  
to testify in relation to any matter over which the 1790  
superintendent has jurisdiction, and may require the production 1791  
or photocopying of any book, record, or other document 1792  
pertaining to such matter. If a person fails to file any 1793  
statement or report, obey any subpoena, give testimony, produce 1794

any book, record, or other document as required by such a 1795  
subpoena, or permit photocopying of any book, record, or other 1796  
document subpoenaed, the court of common pleas of any county in 1797  
this state, upon application made to it by the superintendent, 1798  
shall compel obedience by attachment proceedings for contempt, 1799  
as in the case of disobedience of the requirements of a subpoena 1800  
issued from the court, or a refusal to testify therein. 1801

(F) If the superintendent determines that a person is 1802  
engaged in, or is believed to be engaged in, activities that may 1803  
constitute a violation of sections 1321.51 to 1321.60 of the 1804  
Revised Code or the rules adopted thereunder, the superintendent 1805  
may, after notice and a hearing conducted in accordance with 1806  
Chapter 119. of the Revised Code, issue a cease and desist 1807  
order. The superintendent, in taking administrative action to 1808  
enjoin a person from acting as a registrant or ~~mortgage~~-loan 1809  
originator in violation of division (A) or (E) of section 1810  
1321.52 of the Revised Code, may also seek and impose fines for 1811  
those violations in an amount not to exceed five thousand 1812  
dollars per violation. Such an order shall be enforceable in the 1813  
court of common pleas. 1814

~~(G) The superintendent shall regularly report violations~~ 1815  
~~of sections 1321.51 to 1321.60 of the Revised Code, as well as~~ 1816  
~~enforcement actions and other relevant information, to the~~ 1817  
~~nationwide mortgage licensing system and registry pursuant to~~ 1818  
~~division (E) of section 1321.55 of the Revised Code.~~ 1819

~~(H)~~ (1) To protect the public interest, the superintendent 1820  
may, without a prior hearing, ~~do any of the following:~~ 1821

~~(a) Suspend~~ suspend the certificate of registration or 1822  
license of a person who is convicted of or pleads guilty or nolo 1823  
contendere to a criminal violation of sections 1321.51 to 1824

1321.60 of the Revised Code or any criminal offense described in 1825  
division (B) (1) (b) or (c) of this section. 1826

~~(b) Suspend the certificate of registration or license of 1827  
a person who violates division (F) of section 1321.533 of the 1828  
Revised Code. 1829~~

~~(c) Suspend the certificate of registration or license of 1830  
a person who fails to comply with a request made by the 1831  
superintendent under this section or section 1321.55 of the 1832  
Revised Code to inspect qualifying education transcripts located 1833  
at the registrant's or licensee's place of business. 1834~~

(2) The superintendent may, in accordance with Chapter 1835  
119. of the Revised Code, subsequently revoke any registration 1836  
or license suspended under division ~~(H)~~ (G) (1) of this section. 1837

(3) The superintendent shall, in accordance with Chapter 1838  
119. of the Revised Code, adopt rules establishing the maximum 1839  
amount of time a suspension under division ~~(H)~~ (G) (1) of this 1840  
section may continue before a hearing is conducted. 1841

**Sec. 1321.55.** (A) Every registrant shall keep records 1842  
pertaining to loans made under sections 1321.51 to 1321.60 of 1843  
the Revised Code. Such records shall be segregated from records 1844  
pertaining to transactions that are not subject to these 1845  
sections of the Revised Code. Every registrant shall preserve 1846  
records pertaining to loans made under sections 1321.51 to 1847  
1321.60 of the Revised Code for at least two years after making 1848  
the final entry on such records. Accounting systems maintained 1849  
in whole or in part by mechanical or electronic data processing 1850  
methods that provide information equivalent to that otherwise 1851  
required are acceptable for this purpose. At least once each 1852  
eighteen-month cycle, the division of financial institutions 1853

shall make or cause to be made an examination of records 1854  
pertaining to loans made under sections 1321.51 to 1321.60 of 1855  
the Revised Code, for the purpose of determining whether the 1856  
registrant is complying with these sections and of verifying the 1857  
registrant's annual report. 1858

(B) (1) As required by the superintendent of financial 1859  
institutions, each registrant shall file with the division each 1860  
year an annual report under oath or affirmation, on forms 1861  
supplied by the division, concerning the business and operations 1862  
for the preceding calendar year. Whenever a registrant operates 1863  
two or more registered offices or whenever two or more 1864  
affiliated registrants operate registered offices, then a 1865  
composite report of the group of registered offices may be filed 1866  
in lieu of individual reports. ~~For purposes of compliance with~~ 1867  
~~this requirement, the superintendent may accept call reports or~~ 1868  
~~other reports of condition submitted to the nationwide mortgage~~ 1869  
~~licensing system and registry in lieu of the annual report.~~ 1870

(2) The superintendent shall publish annually an analysis 1871  
of the information required under divisions (B) (1) and (3) of 1872  
this section, but the individual reports, ~~whether filed with the~~ 1873  
~~superintendent or the nationwide mortgage licensing system and~~ 1874  
~~registry,~~ shall not be public records and shall not be open to 1875  
public inspection. 1876

~~(3) Each mortgage licensee shall submit to the nationwide~~ 1877  
~~mortgage licensing system and registry call reports or other~~ 1878  
~~reports of condition, which shall be in such form and shall~~ 1879  
~~contain such information as the nationwide mortgage licensing~~ 1880  
~~system and registry may require.~~ 1881

(C) (1) The following information is confidential: 1882



(a) Examination information, and any information leading 1883  
to or arising from an examination; 1884

(b) Investigation information, and any information arising 1885  
from or leading to an investigation. 1886

(2) The information described in division (C) (1) of this 1887  
section shall remain confidential for all purposes except when 1888  
it is necessary for the superintendent to take official action 1889  
regarding the affairs of a registrant or licensee, or in 1890  
connection with criminal or civil proceedings to be initiated by 1891  
a prosecuting attorney or the attorney general. This information 1892  
may also be introduced into evidence or disclosed when and in 1893  
the manner authorized by section 1181.25 of the Revised Code. 1894

(D) All application information, except social security 1895  
numbers, employer identification numbers, financial account 1896  
numbers, the identity of the institution where financial 1897  
accounts are maintained, personal financial information, 1898  
fingerprint cards and the information contained on such cards, 1899  
and criminal background information, is a public record as 1900  
defined in section 149.43 of the Revised Code. 1901

(E) This section does not prevent the division of 1902  
financial institutions from releasing to or exchanging with 1903  
other financial institution regulatory authorities information 1904  
relating to registrants and licensees. For this purpose, a 1905  
"financial institution regulatory authority" includes a 1906  
regulator of a business activity in which a registrant or 1907  
licensee is engaged, or has applied to engage in, to the extent 1908  
that the regulator has jurisdiction over a registrant or 1909  
licensee engaged in that business activity. A registrant or 1910  
licensee is engaged in a business activity, and a regulator of 1911  
that business activity has jurisdiction over the registrant or 1912

licensee, whether the registrant or licensee conducts the 1913  
activity directly or a subsidiary or affiliate of the registrant 1914  
or licensee conducts the activity. 1915

~~(1) Any confidentiality or privilege arising under federal 1916  
or state law with respect to any information or material 1917  
provided to the nationwide mortgage licensing system and 1918  
registry shall continue to apply to the information or material 1919  
after the information or material has been provided to the 1920  
nationwide mortgage licensing system and registry. The 1921  
information and material so provided may be shared with all 1922  
state and federal regulatory officials with mortgage industry 1923  
oversight authority without the loss of confidentiality or 1924  
privilege protections provided by federal law or the law of any 1925  
state. Information or material described in division (E) (1) of 1926  
this section to which confidentiality or privilege applies shall 1927  
not be subject to any of the following: 1928~~

~~(a) Disclosure under any federal or state law governing 1929  
disclosure to the public of information held by an officer or an 1930  
agency of the federal government or of the respective state; 1931~~

~~(b) Subpoena or discovery, or admission into evidence, in 1932  
any private civil action or administrative process, unless the 1933  
person to whom such information or material pertains waives, in 1934  
whole or in part and at the discretion of the person, any 1935  
privilege held by the nationwide mortgage licensing system and 1936  
registry with respect to that information or material. 1937~~

~~(2) The superintendent, in order to promote more effective 1938  
regulation and reduce regulatory burden through supervisory 1939  
information sharing, may enter into sharing arrangements with 1940  
other governmental agencies, the conference of state bank 1941  
supervisors, and the American association of residential 1942~~

mortgage regulators. 1943

~~(3)~~ (2) Any state law, including section 149.43 of the 1944  
Revised Code, relating to the disclosure of confidential 1945  
supervisory information or any information or material described 1946  
in division (C) (1) ~~or (E) (1)~~ of this section that is 1947  
inconsistent with this section shall be superseded by the 1948  
requirements of this section. 1949

~~(F) This section shall not apply with respect to 1950  
information or material relating to the employment history of, 1951  
and publicly adjudicated disciplinary and enforcement actions 1952  
against, mortgage loan originators that is included in the 1953  
nationwide mortgage licensing system and registry for access by 1954  
the public. 1955~~

~~(G) This section does not prevent the division from 1956  
releasing information relating to registrants and licensees to 1957  
the attorney general, to the superintendent of real estate and 1958  
professional licensing for purposes relating to the 1959  
administration of Chapters 4735. and 4763. of the Revised Code, 1960  
to the superintendent of insurance for purposes relating to the 1961  
administration of Chapter 3953. of the Revised Code, to the 1962  
commissioner of securities for purposes relating to the 1963  
administration of Chapter 1707. of the Revised Code, or to local 1964  
law enforcement agencies and local prosecutors. Information the 1965  
division releases pursuant to this section remains confidential. 1966~~

~~(H) The superintendent of financial institutions shall, by 1967  
rule adopted in accordance with Chapter 119. of the Revised 1968  
Code, establish a process by which mortgage loan originators may 1969  
challenge information provided to the nationwide mortgage 1970  
licensing system and registry by the superintendent. 1971~~

~~(I)~~ No person, in connection with any examination or 1972  
investigation conducted by the superintendent under sections 1973  
1321.51 to 1321.60 of the Revised Code, shall knowingly do any 1974  
of the following: 1975

(1) Circumvent, interfere with, obstruct, or fail to 1976  
cooperate, including making a false or misleading statement, 1977  
failing to produce records, or intimidating or suborning any 1978  
witness; 1979

(2) Withhold, abstract, remove, mutilate, destroy, or 1980  
secrete any books, records, computer records, or other 1981  
information; 1982

(3) Tamper with, alter, or manufacture any evidence. 1983

**Sec. 1321.551.** (A) No registrant shall conduct the 1984  
business of making loans under sections 1321.51 to 1321.60 of 1985  
the Revised Code in any office, room, or place of business in 1986  
which any other business is solicited or engaged in, or in 1987  
association or conjunction with any other such business, if the 1988  
superintendent of financial institutions finds, pursuant to a 1989  
hearing conducted in accordance with Chapter 119. of the Revised 1990  
Code, that the other business is of such a nature that the 1991  
conduct tends to conceal evasion of sections 1321.51 to 1321.60 1992  
of the Revised Code or of the rules adopted under those 1993  
sections, and orders the registrant in writing to desist from 1994  
the conduct. 1995

(B) The business of a ~~mortgage~~-loan originator shall 1996  
principally be transacted at an office of the registrant with 1997  
whom the licensee is employed or associated, which office is 1998  
registered, if applicable, in accordance with division (A)(1) of 1999  
section 1321.52 of the Revised Code. Each original ~~mortgage~~-loan 2000

originator license shall be deposited with and maintained at the 2001  
registrant's main office. A copy of the ~~mortgage~~-loan originator 2002  
license shall be maintained and displayed at the office where 2003  
the ~~mortgage~~-loan originator principally transacts business. 2004

(C) If a ~~mortgage~~-loan originator's employment or 2005  
association is terminated for any reason, the registrant shall 2006  
return the original ~~mortgage~~-loan originator license to the 2007  
superintendent within five business days after the termination. 2008  
~~The licensee may request the transfer of the license to another~~ 2009  
~~registrant by submitting a transfer application, along with a~~ 2010  
~~fifteendollar fee and any fee required by the national mortgage~~ 2011  
~~licensing system and registry, to the superintendent, or may~~ 2012  
~~request in writing that the superintendent hold the license in~~ 2013  
~~escrow. A licensee whose license is held in escrow shall cease~~ 2014  
~~activity as a mortgage loan originator. A licensee whose license~~ 2015  
~~is held in escrow shall be required to apply for renewal~~ 2016  
~~annually and to comply with the annual continuing education~~ 2017  
~~requirement.~~ 2018

(D) ~~A registrant may employ or be associated with a~~ 2019  
~~mortgage loan originator on a temporary basis pending the~~ 2020  
~~transfer of the mortgage loan originator's license to the~~ 2021  
~~registrant, if the registrant receives written confirmation from~~ 2022  
~~the superintendent that the mortgage loan originator is licensed~~ 2023  
~~under sections 1321.51 to 1321.60 of the Revised Code.~~ 2024

~~(E)~~ Notwithstanding divisions (B) 7 and (C) 7 and (D) of 2025  
this section, if a ~~mortgage~~-loan originator is employed by or 2026  
associated with a person claiming an exemption under division 2027  
(D) of section 1321.53 of the Revised Code, the ~~mortgage~~-loan 2028  
originator shall maintain and display the original ~~mortgage~~-loan 2029  
originator license at the office where the ~~mortgage~~-loan 2030

originator principally transacts business. 2031

If the ~~mortgage~~-loan originator's employment or 2032  
association is terminated for any reason, the licensee shall 2033  
return the original ~~mortgage~~-loan originator license to the 2034  
superintendent within five business days after the termination. 2035  
~~The licensee may request the transfer of the license to a~~ 2036  
~~mortgage broker or other person claiming an exemption under~~ 2037  
~~division (D) of section 1321.53 of the Revised Code by~~ 2038  
~~submitting a transfer application, along with a fifteen-dollar~~ 2039  
~~fee and any fee required by the national mortgage licensing~~ 2040  
~~system and registry, to the superintendent, or may request the~~ 2041  
~~superintendent in writing to hold the license in escrow. A~~ 2042  
~~licensee whose license is held in escrow shall cease activity as~~ 2043  
~~a mortgage loan originator. A licensee whose license is held in~~ 2044  
~~escrow shall be required to apply for renewal annually and to~~ 2045  
~~comply with the annual continuing education requirement.~~ 2046

~~The licensee may seek to be employed or associated with a~~ 2047  
~~mortgage broker or other person claiming an exemption under~~ 2048  
~~division (D) of section 1321.53 of the Revised Code if the~~ 2049  
~~mortgage broker or person receives written confirmation from the~~ 2050  
~~superintendent that the mortgage loan originator is licensed~~ 2051  
~~under sections 1321.51 to 1321.60 of the Revised Code.~~ 2052

~~(F) No registrant, through its managers or otherwise,~~ 2053  
~~shall fail to do either of the following:~~ 2054

~~(1) Reasonably supervise mortgage loan originators or~~ 2055  
~~other persons employed by or associated with the registrant;~~ 2056

~~(2) Establish reasonable procedures designed to avoid~~ 2057  
~~violations of sections 1321.51 to 1321.60 of the Revised Code or~~ 2058  
~~rules adopted thereunder, or violations of applicable state and~~ 2059

~~federal consumer and lending laws or rules, by mortgage loan- 2060~~  
~~originators or other persons employed by or associated with the 2061~~  
~~registrant. 2062~~

~~(C) A license, or the authority granted under that 2063~~  
~~license, is not assignable and cannot be franchised by contract- 2064~~  
~~or any other means. 2065~~

**Sec. 1321.57.** (A) Notwithstanding any other provisions of 2066  
the Revised Code, a registrant may contract for and receive 2067  
interest, calculated according to the actuarial method, at a 2068  
rate or rates not exceeding twenty-one per cent per year on the 2069  
unpaid principal balances of the loan. Loans may be interest- 2070  
bearing or precomputed. 2071

(B) For purposes of computation of time on interest- 2072  
bearing and precomputed loans, including, but not limited to, 2073  
the calculation of interest, a month is considered one-twelfth 2074  
of a year, and a day is considered one three hundred sixty-fifth 2075  
of a year when calculation is made for a fraction of a month. A 2076  
year is as defined in section 1.44 of the Revised Code. A month 2077  
is that period described in section 1.45 of the Revised Code. 2078  
Alternatively, a registrant may consider a day as one three 2079  
hundred sixtieth of a year and each month as having thirty days. 2080

(C) With respect to interest-bearing loans: 2081

(1) (a) Interest shall be computed on unpaid principal 2082  
balances outstanding from time to time, for the time 2083  
outstanding. 2084

(b) As an alternative to the method of computing interest 2085  
set forth in division (C) (1) (a) of this section, a registrant 2086  
may charge and collect interest for the first installment period 2087  
based on elapsed time from the date of the loan to the first 2088

scheduled payment due date, and for each succeeding installment 2089  
period from the scheduled payment due date to the next scheduled 2090  
payment due date, regardless of the date or dates the payments 2091  
are actually made. 2092

(c) Whether a registrant computes interest pursuant to 2093  
division (C) (1) (a) or (b) of this section, each payment shall be 2094  
applied first to unpaid charges, then to interest, and the 2095  
remainder to the unpaid principal balance. However, if the 2096  
amount of the payment is insufficient to pay the accumulated 2097  
interest, the unpaid interest continues to accumulate to be paid 2098  
from the proceeds of subsequent payments and is not added to the 2099  
principal balance. 2100

(2) Interest shall not be compounded, collected, or paid 2101  
in advance. However, both of the following apply: 2102

(a) Interest may be charged to extend the first monthly 2103  
installment period by not more than fifteen days, and the 2104  
interest charged for the extension may be added to the principal 2105  
amount of the loan. 2106

(b) If part or all of the consideration for a new loan 2107  
contract is the unpaid principal balance of a prior loan, the 2108  
principal amount payable under the new loan contract may include 2109  
any unpaid interest that has accrued. The resulting loan 2110  
contract shall be deemed a new and separate loan transaction for 2111  
purposes of this section. The unpaid principal balance of a 2112  
precomputed loan is the balance due after refund or credit of 2113  
unearned interest as provided in division (D) (3) of this 2114  
section. 2115

(D) With respect to precomputed loans: 2116

(1) Loans shall be repayable in monthly installments of 2117



principal and interest combined, except that the first 2118  
installment period may exceed one month by not more than fifteen 2119  
days, and the first installment payment amount may be larger 2120  
than the remaining payments by the amount of interest charged 2121  
for the extra days; and provided further that monthly 2122  
installment payment dates may be omitted to accommodate 2123  
borrowers with seasonal income. 2124

(2) Payments may be applied to the combined total of 2125  
principal and precomputed interest until maturity of the loan. A 2126  
registrant may charge interest after the original or deferred 2127  
maturity of a precomputed loan at the rate specified in division 2128  
(A) of this section on all unpaid principal balances for the 2129  
time outstanding. 2130

(3) When any loan contract is paid in full by cash, 2131  
renewal, refinancing, or a new loan, one month or more before 2132  
the final installment due date, the registrant shall refund, or 2133  
credit the borrower with, the total of the applicable charges 2134  
for all fully unexpired installment periods, as originally 2135  
scheduled or as deferred, that follow the day of prepayment. If 2136  
the prepayment is made other than on a scheduled installment due 2137  
date, the nearest scheduled installment due date shall be used 2138  
in such computation. If the prepayment occurs prior to the first 2139  
installment due date, the registrant may retain one-thirtieth of 2140  
the applicable charge for a first installment period of one 2141  
month for each day from date of loan to date of prepayment, and 2142  
shall refund, or credit the borrower with, the balance of the 2143  
total interest contracted for. If the maturity of the loan is 2144  
accelerated for any reason and judgment is entered, the 2145  
registrant shall credit the borrower with the same refund as if 2146  
prepayment in full had been made on the date the judgment is 2147  
entered. 2148

(4) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a registrant may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred installment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. If a loan is prepaid in full during a deferment period, the registrant shall make, or credit to the borrower, a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(E) A registrant, at the request of the borrower, may obtain, on one or more borrowers, credit life insurance, credit accident and health insurance, and unemployment insurance. The premium or identifiable charge for the insurance may be included in the principal amount of the loan and may not exceed the premium rate filed by the insurer with the superintendent of insurance and not disapproved by the superintendent. If a registrant obtains the insurance at the request of the borrower, the borrower shall have the right to cancel the insurance for a period of twenty-five days after the loan is made. If the borrower chooses to cancel the insurance, the borrower shall

give the registrant written notice of this choice and shall 2180  
return all of the policies or certificates of insurance or 2181  
notices of proposed insurance to the registrant during such 2182  
period, and the full premium or identifiable charge for the 2183  
insurance shall be refunded to the borrower by the registrant. 2184  
If the borrower requests, in the notice to cancel the insurance, 2185  
that this refund be applied to reduce the balance of a 2186  
precomputed loan, the registrant shall credit the amount of the 2187  
refund plus the amount of interest applicable to the refund to 2188  
the loan balance. 2189

If the registrant obtains the insurance at the request of 2190  
the borrower, the registrant shall not charge or collect 2191  
interest on any insured amount that remains unpaid after the 2192  
insured borrower's date of death. 2193

(F) A registrant may require the borrower to provide 2194  
insurance or a loss payable endorsement covering reasonable 2195  
risks of loss, damage, and destruction of property used as 2196  
security for the loan and with the consent of the borrower such 2197  
insurance may cover property other than that which is security 2198  
for the loan. The amount and term of required property insurance 2199  
shall be reasonable in relation to the amount and term of the 2200  
loan contract and the type and value of the security, and the 2201  
insurance shall be procured in accordance with the insurance 2202  
laws of this state. The purchase of this insurance through the 2203  
registrant or an agent or broker designated by the registrant 2204  
shall not be a condition precedent to the granting of the loan. 2205  
If the borrower purchases the insurance from or through the 2206  
registrant or from another source, the premium may be included 2207  
in the principal amount of the loan. 2208

(G) ~~On loans secured by an interest in real estate, all of~~ 2209

~~the following apply:~~

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~~(1) A registrant, if not prohibited by section 1343.011 of  
the Revised Code, may charge and receive up to two points, and a  
prepayment penalty not in excess of one per cent of the original  
principal amount of the loan. Points may be paid by the borrower  
at the time of the loan or may be included in the principal  
amount of the loan. On a refinancing, a registrant may not  
charge under division (G) (1) of this section either of the  
following:~~

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~~(a) Points on the portion of the principal amount that is  
applied to the unpaid principal amount of the refinanced loan,  
if the refinancing occurs within one year after the date of the  
refinanced loan on which points were charged;~~

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~~(b) A prepayment penalty.~~

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~~(2) As an alternative to the prepayment penalty described  
in division (G) (1) of this section, a registrant may contract  
for, charge, and receive the prepayment penalty described in  
division (G) (2) of this section for the prepayment of a loan  
prior to two years after the date the loan contract is executed.  
This prepayment penalty shall not exceed two per cent of the  
original principal amount of the loan if the loan is paid in  
full prior to one year after the date the loan contract is  
executed. The penalty shall not exceed one per cent of the  
original principal amount of the loan if the loan is paid in  
full at any time from one year, but prior to two years, after  
the date the loan contract is executed. A registrant shall not  
charge or receive a prepayment penalty under division (G) (2) of  
this section if any of the following applies:~~

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~~(a) The loan is a refinancing by the same registrant or a~~

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~~registrant to whom the loan has been assigned;~~ 2239

~~(b) The loan is paid in full as a result of the sale of  
the real estate that secures the loan;~~ 2240  
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~~(c) The loan is paid in full with the proceeds of an  
insurance claim against an insurance policy that insures the  
life of the borrower or an insurance policy that covers loss,  
damage, or destruction of the real estate that secures the loan.~~ 2242  
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~~(3) Division (G) of this section is not a limitation on  
discount points or other charges for purposes of section 501(b)  
(4) of the "Depository Institutions Deregulation and Monetary  
Control Act of 1980," 94 Stat. 161, 12 U.S.C.A. 1735f-7 note.~~ 2246  
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~~(H)~~ (1) In addition to the interest and charges provided 2250  
for by this section, no further or other amount, whether in the 2251  
form of broker fees, placement fees, or any other fees 2252  
whatsoever, shall be charged or received by the registrant, 2253  
except costs and disbursements in connection with any suit to 2254  
collect a loan or any lawful activity to realize on a security 2255  
interest ~~or mortgage~~ after default, including reasonable 2256  
attorney fees incurred by the registrant as a result of the suit 2257  
or activity and to which the registrant becomes entitled by law, 2258  
and except the following additional charges which may be 2259  
included in the principal amount of the loan or collected at any 2260  
time after the loan is made: 2261

(a) The amounts of fees authorized by law to record, file, 2262  
or release security interests ~~and mortgages~~ on a loan; 2263

(b) ~~With respect to a loan secured by an interest in real  
estate, the following closing costs, if they are bona fide,  
reasonable in amount, paid to third parties, and not for the  
purpose of circumvention or evasion of this section:~~ 2264  
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~~(i) Fees or premiums for title examination, abstract of title, title insurance, surveys, title endorsements, title binders, title commitments, home inspections, or pest inspections; settlement or closing costs paid to unaffiliated third parties; courier fees; and any federally mandated flood plain certification fee;~~ 2268  
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~~(ii) If not paid to the registrant, an employee of the registrant, or a person affiliated with the registrant, fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, appraisal fees, and fees for any federally mandated inspection of home improvement work financed by a second mortgage loan;~~ 2274  
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~~(e) Fees for credit investigations not exceeding ten dollars.~~ 2280  
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(2) Division ~~(H)~~ (G) (1) of this section does not limit the rights of registrants to engage in other transactions with borrowers, provided the transactions are not a condition of the loan. 2282  
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~~(I)~~ (H) If the loan contract or security instrument contains covenants by the borrower to perform certain duties pertaining to insuring or preserving security and the registrant pursuant to the loan contract or security instrument pays for performance of the duties on behalf of the borrower, the registrant may add the amounts paid to the unpaid principal balance of the loan or collect them separately. A charge for interest may be made for sums advanced not exceeding the rate of interest permitted by division (A) of this section. Within a reasonable time after advancing a sum, the registrant shall notify the borrower in writing of the amount advanced, any interest charged with respect to the amount advanced, any 2286  
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revised payment schedule, and shall include a brief description 2298  
of the reason for the advance. 2299

~~(J)(I)~~ (1) ~~In addition to points authorized under division~~ 2300  
~~(G) of this section, a~~ A registrant may charge and receive the 2301  
following: 2302

(a) With respect to loans secured by goods ~~or real estate~~: 2303  
if the principal amount of the loan is five hundred dollars or 2304  
less, loan origination charges not exceeding fifteen dollars; if 2305  
the principal amount of the loan is more than five hundred 2306  
dollars but less than one thousand dollars, loan origination 2307  
charges not exceeding thirty dollars; if the principal amount of 2308  
the loan is at least one thousand dollars but less than two 2309  
thousand dollars, loan origination charges not exceeding one 2310  
hundred dollars; if the principal amount of the loan is at least 2311  
two thousand dollars but less than five thousand dollars, loan 2312  
origination charges not exceeding two hundred dollars; and if 2313  
the principal amount of the loan is at least five thousand 2314  
dollars, loan origination charges not exceeding the greater of 2315  
two hundred fifty dollars or one per cent of the principal 2316  
amount of the loan. 2317

(b) With respect to loans that are not secured by goods ~~or~~ 2318  
~~real estate~~: if the principal amount of the loan is five hundred 2319  
dollars or less, loan origination charges not exceeding fifteen 2320  
dollars; if the principal amount of the loan is more than five 2321  
hundred dollars but less than one thousand dollars, loan 2322  
origination charges not exceeding thirty dollars; if the 2323  
principal amount of the loan is at least one thousand dollars 2324  
but less than five thousand dollars, loan origination charges 2325  
not exceeding one hundred dollars; and if the principal amount 2326  
of the loan is at least five thousand dollars, loan origination 2327

charges not exceeding the greater of two hundred fifty dollars 2328  
or one per cent of the principal amount of the loan. 2329

(2) If a refinancing occurs within ninety days after the 2330  
date of the refinanced loan, a registrant may not impose loan 2331  
origination charges on the portion of the principal amount that 2332  
is applied to the unpaid principal amount of the refinanced 2333  
loan. 2334

(3) Loan origination charges may be paid by the borrower 2335  
at the time of the loan or may be included in the principal 2336  
amount of the loan. 2337

~~(K)~~ (J) A registrant may charge and receive check 2338  
collection charges not greater than twenty dollars plus any 2339  
amount passed on from other depository institutions for each 2340  
check, negotiable order of withdrawal, share draft, or other 2341  
negotiable instrument returned or dishonored for any reason. 2342

~~(L)~~ (K) If the loan contract so provides, a registrant may 2343  
collect a default charge on any installment not paid in full 2344  
within ten days after its due date. For this purpose, all 2345  
installments are considered paid in the order in which they 2346  
become due. Any amounts applied to an outstanding loan balance 2347  
as a result of voluntary release of a security interest, sale of 2348  
security on the loan, or cancellation of insurance shall be 2349  
considered payments on the loan, unless the parties otherwise 2350  
agree in writing at the time the amounts are applied. The amount 2351  
of the default charge shall not exceed the greater of five per 2352  
cent of the scheduled installment or fifteen dollars. 2353

**Sec. 1321.58.** (A) A registrant may make open-end loans 2354  
pursuant to an agreement between the registrant and the borrower 2355  
whereby: 2356



(1) The registrant may permit the borrower to obtain 2357  
advances of money from the registrant from time to time or the 2358  
registrant may advance money on behalf of the borrower from time 2359  
to time as directed by the borrower. 2360

(2) The amount of each advance and permitted interest, 2361  
charges, and costs are debited to the borrower's account and 2362  
payments and other credits are credited to the same account. 2363

(3) The interest and charges are computed on the unpaid 2364  
balance or balances of the account from time to time. 2365

(4) The borrower has the privilege of paying the account 2366  
in full at any time or, if the account is not in default, in 2367  
installments of determinable amounts as provided in the 2368  
agreement. 2369

For open-end loans, "billing cycle" means the time 2370  
interval between periodic billing dates. A billing cycle shall 2371  
be considered monthly if the closing date of the cycle is the 2372  
same date each month or does not vary by more than four days 2373  
from such date. 2374

(B) Notwithstanding any other provisions of the Revised 2375  
Code, a registrant may contract for and receive interest for 2376  
open-end loans at a rate or rates not exceeding twenty-one per 2377  
cent per year and may compute interest in each billing cycle by 2378  
either of the following methods: 2379

(1) By multiplying the daily rate by the daily unpaid 2380  
balance of the account, in which case the daily rate is 2381  
determined by dividing the annual rate by three hundred sixty- 2382  
five; 2383

(2) By multiplying the monthly rate by the average daily 2384  
unpaid balance of the account in the billing cycle, in which 2385

case the average daily unpaid balance is the sum of all of the  
daily unpaid balances each day during the cycle divided by the  
number of days in the cycle. The monthly rate is determined by  
dividing the annual rate by twelve.

The billing cycle shall be monthly and the unpaid balance  
on any day shall be determined by adding to any balance unpaid  
as of the beginning of that day all advances and permitted  
interest, charges, and costs and deducting all payments and  
other credits made or received that day.

(C) In addition to the interest permitted in division (B)  
of this section, a registrant may charge and receive or add to  
the unpaid balance any or all of the following:

(1) All charges and costs authorized by divisions (E),  
(F), (G), (H), ~~(I)~~, and ~~(K)~~ (J) of section 1321.57 of the  
Revised Code;

(2) An annual credit line charge, for the privilege of  
maintaining a line of credit, as follows:

(a) For the first year:

(i) If the original credit line is less than five thousand  
dollars, an amount not exceeding one hundred fifty dollars;

(ii) If the original credit line is at least five thousand  
dollars, an amount not exceeding the greater of one per cent of  
the original credit line or two hundred fifty dollars.

(b) For subsequent years an amount not exceeding the  
greater of one-half per cent of the credit line on the  
anniversary date or fifty dollars.

(3) A default charge on any required minimum payment not  
paid in full within ten days after its due date. For this

purpose, all required minimum payments are considered paid in 2414  
the order in which they become due. The amount of the default 2415  
charge shall not exceed the greater of five per cent of the 2416  
required minimum payment or fifteen dollars. 2417

(D) The borrower at any time may pay all or any part of 2418  
the unpaid balance on the account or, if the account is not in 2419  
default, the borrower may pay the unpaid balance in installments 2420  
subject to minimum payment requirements as determined by the 2421  
registrant and set forth in the open-end loan agreement. 2422

(E) If credit life insurance or credit accident and health 2423  
insurance is obtained by the registrant and if the insured dies 2424  
or becomes disabled when there is an outstanding open-end loan 2425  
indebtedness, the insurance shall be sufficient to pay the 2426  
unpaid balance on the loan due on the date of the borrower's 2427  
death in the case of credit life insurance or all minimum 2428  
payments that become due on the loan during the covered period 2429  
of disability in the case of credit accident and health 2430  
insurance. The additional charge for credit life insurance, 2431  
credit accident and health insurance, or unemployment insurance 2432  
shall be calculated each billing cycle by applying the current 2433  
monthly premium rate for the insurance, filed by the insurer 2434  
with the superintendent of insurance and not disapproved by the 2435  
superintendent, to the unpaid balances in the borrower's 2436  
account, using one of the methods specified in division (B) of 2437  
this section for the calculation of interest. No credit life 2438  
insurance, credit accident and health insurance, or unemployment 2439  
insurance written in connection with an open-end loan shall be 2440  
canceled by the registrant because of delinquency of the 2441  
borrower in making the required minimum payments on the loan 2442  
unless one or more such payments is past due for a period of 2443  
thirty days or more. The registrant shall advance to the insurer 2444

the amounts required to keep the insurance in force during such 2445  
period, which amounts may be debited to the borrower's account. 2446

(F) Whenever there is no unpaid balance in an open-end 2447  
loan account, the account may be terminated by written notice, 2448  
by the borrower or the registrant, to the other party. ~~If a~~ 2449  
~~registrant has taken a mortgage on real property to secure the~~ 2450  
~~open-end loan, the registrant shall deliver, within thirty days~~ 2451  
~~following termination of the account, a release of the mortgage~~ 2452  
~~to the borrower.~~ If a registrant has taken a security interest 2453  
in personal property to secure the open-end loan, the registrant 2454  
shall release the security interest and terminate any financing 2455  
statement in accordance with section 1309.513 of the Revised 2456  
Code. 2457

**Sec. 1321.59.** (A) No registrant under sections 1321.51 to 2458  
1321.60 of the Revised Code shall permit any borrower to be 2459  
indebted for a loan made under sections 1321.51 to 1321.60 of 2460  
the Revised Code at any time while the borrower is also indebted 2461  
to an affiliate or agent of the registrant for a loan made under 2462  
sections 1321.01 to 1321.19 of the Revised Code for the purpose 2463  
or with the result of obtaining greater charges than otherwise 2464  
would be permitted by sections 1321.51 to 1321.60 of the Revised 2465  
Code. 2466

(B) No registrant shall induce or permit any person to 2467  
become obligated to the registrant under sections 1321.51 to 2468  
1321.60 of the Revised Code, directly or contingently, or both, 2469  
under more than one contract of loan at the same time for the 2470  
purpose or with the result of obtaining greater charges than 2471  
would otherwise be permitted by sections 1321.51 to 1321.60 of 2472  
the Revised Code. 2473

(C) No registrant shall refuse to provide information 2474

regarding the amount required to pay in full a loan under 2475  
sections 1321.51 to 1321.60 of the Revised Code when requested 2476  
by the borrower or by another person designated in writing by 2477  
the borrower. 2478

~~(D) On any loan or application for a loan under sections~~ 2479  
~~1321.51 to 1321.60 of the Revised Code secured by a mortgage on~~ 2480  
~~a borrower's real estate which is other than a first lien on the~~ 2481  
~~real estate, no person shall pay or receive, directly or~~ 2482  
~~indirectly, fees or any other type of compensation for services~~ 2483  
~~of a mortgage broker that, in the aggregate, exceed the lesser~~ 2484  
~~of one thousand dollars or one per cent of the principal amount~~ 2485  
~~of the loan.~~ 2486

~~(E)~~ No registrant or licensee shall obtain a certificate 2487  
of registration or license through any false or fraudulent 2488  
representation of a material fact or any omission of a material 2489  
fact required by state or federal law, or make any substantial 2490  
misrepresentation in the registration or license application, to 2491  
engage in lending secured by real estate under sections 1321.51 2492  
to 1321.60 of the Revised Code. 2493

~~(F)~~ (E) No registrant or licensee, in connection with the 2494  
business of making or offering to make ~~residential mortgage~~ 2495  
loans under sections 1321.51 to 1321.60 of the Revised Code, 2496  
shall knowingly make false or misleading statements of a 2497  
material fact, omissions of statements required by state or 2498  
federal law, or false promises regarding a material fact, 2499  
through advertising or other means, or engage in a continued 2500  
course of misrepresentations. 2501

~~(G)~~ (F) No registrant, licensee, or person making loans 2502  
without a certificate of registration in violation of division 2503  
(A) of section 1321.52 of the Revised Code, shall knowingly 2504

engage in conduct, in connection with the business of making or 2505  
offering to make ~~residential mortgage~~ loans under sections 2506  
1321.51 to 1321.60 of the Revised Code, that constitutes 2507  
improper, fraudulent, or dishonest dealings. 2508

~~(H)~~ (G) No registrant, licensee, or applicant involved in 2509  
the business of making or offering to make ~~residential mortgage~~ 2510  
loans under sections 1321.51 to 1321.60 of the Revised Code 2511  
shall fail to notify the division of financial institutions 2512  
within thirty days after knowing any of the following: 2513

(1) That the registrant, licensee, or applicant has been 2514  
convicted of or pleaded guilty or nolo contendere to a felony 2515  
offense in a domestic, foreign, or military court; 2516

(2) That the registrant, licensee, or applicant has been 2517  
convicted of or pleaded guilty or nolo contendere to any 2518  
criminal offense involving theft, receiving stolen property, 2519  
embezzlement, forgery, fraud, passing bad checks, money 2520  
laundering, breach of trust, dishonesty, or drug trafficking, or 2521  
any criminal offense involving money or securities, in a 2522  
domestic, foreign, or military court; 2523

(3) That the registrant, licensee, or applicant has had a 2524  
~~mortgage lender certificate of~~ registration or ~~mortgage loan~~ 2525  
originator license, or comparable authority, revoked in any 2526  
governmental jurisdiction. 2527

~~(I)~~ (H) No registrant or licensee shall knowingly make, 2528  
propose, or solicit fraudulent, false, or misleading statements 2529  
on any ~~mortgage document or on any~~ document related to a 2530  
~~mortgage loan~~ made under sections 1321.51 to 1321.60 of the 2531  
Revised Code, including a ~~mortgage an~~ application, ~~real estate~~ 2532  
~~appraisal, or real estate settlement or closing document for a~~ 2533

loan. For purposes of this division, "fraudulent, false, or 2534  
misleading statements" does not include mathematical errors, 2535  
inadvertent transposition of numbers, typographical errors, or 2536  
any other bona fide error. 2537

~~(J)~~ (I) No registrant or licensee shall knowingly 2538  
instruct, solicit, propose, or otherwise cause a borrower to 2539  
sign in blank a loan-related document in connection with a 2540  
~~residential mortgage loan made under sections 1321.51 to 1321.60~~ 2541  
of the Revised Code. 2542

~~(K) No registrant or licensee shall knowingly compensate,~~ 2543  
~~instruct, induce, coerce, or intimidate, or attempt to~~ 2544  
~~compensate, instruct, induce, coerce, or intimidate, a person~~ 2545  
~~licensed or certified as an appraiser under Chapter 4763. of the~~ 2546  
~~Revised Code for the purpose of corrupting or improperly~~ 2547  
~~influencing the independent judgment of the person with respect~~ 2548  
~~to the value of the dwelling offered as security for repayment~~ 2549  
~~of a mortgage loan.~~ 2550

~~(L)~~ (J) No registrant or licensee shall willfully retain 2551  
original documents provided to the registrant or licensee by the 2552  
borrower in connection with the ~~residential mortgage loan~~ 2553  
application, including income tax returns, account statements, 2554  
or other financial-related documents. 2555

~~(M)~~ (K) No registrant or licensee shall, in connection 2556  
with making ~~residential mortgage loans under sections 1321.51 to~~ 2557  
1321.60 of the Revised Code, receive, directly or indirectly, a 2558  
premium on the fees charged for services performed by a bona 2559  
fide third party. 2560

~~(N) No registrant or licensee shall, in connection with~~ 2561  
~~making residential mortgage loans, pay or receive, directly or~~ 2562

~~indirectly, a referral fee or kickback of any kind to or from a~~ 2563  
~~bona fide third party or other party with a related interest in~~ 2564  
~~the transaction, including a home improvement builder, real~~ 2565  
~~estate developer, or real estate broker or agent, for the~~ 2566  
~~referral of business. Nothing in this division shall prevent~~ 2567  
~~remuneration to a registrant or licensee for the licensed sale~~ 2568  
~~of any insurance product that is permitted under section 1321.57~~ 2569  
~~of the Revised Code, provided there is no additional fee or~~ 2570  
~~premium added to the cost for the insurance and paid directly or~~ 2571  
~~indirectly by the borrower.~~ 2572

~~(O)~~ (L) No registrant, licensee, or person making loans 2573  
without a certificate of registration in violation of division 2574  
(A) of section 1321.52 of the Revised Code shall, in connection 2575  
with making or offering to make ~~residential mortgage loans~~ under 2576  
sections 1321.51 to 1321.60 of the Revised Code, engage in any 2577  
unfair, deceptive, or unconscionable act or practice prohibited 2578  
under sections 1345.01 to 1345.13 of the Revised Code. 2579

**Sec. 1321.593.** (A) A registrant, licensee, and any person 2580  
required to be registered or licensed under sections 1321.51 to 2581  
1321.60 of the Revised Code shall, in connection with the 2582  
business of making or offering to make ~~residential mortgage~~ 2583  
~~loans~~ under sections 1321.51 to 1321.60 of the Revised Code, do 2584  
all of the following: 2585

(1) Safeguard and account for any money handled for the 2586  
borrower; 2587

(2) Follow reasonable and lawful instructions from the 2588  
borrower; 2589

(3) Act with reasonable skill, care, and diligence; 2590

(4) Act in good faith and with fair dealing in any 2591



transaction, practice, or course of business in connection with 2592  
making or originating any ~~residential mortgage~~ loan under 2593  
sections 1321.51 to 1321.60 of the Revised Code. 2594

~~(B) Division (A) of this section shall not apply to 2595  
wholesale lenders. However, wholesale lender registrants are 2596  
subject to all other requirements applicable to registrants. For 2597  
purposes of this division, "wholesale lender" means a company 2598  
that has been issued a certificate of registration and that 2599  
enters into transactions with borrowers exclusively through 2600  
unaffiliated third-party mortgage brokers or lenders. 2601~~

~~(C) The duties and standards of care created in this 2602  
section cannot be waived or modified. 2603~~

**Sec. 1321.60.** (A) (1) Advertising for loans subject to 2604  
sections 1321.51 to 1321.60 of the Revised Code shall not be 2605  
false, misleading, or deceptive. 2606

(2) False, misleading, or deceptive advertising includes, 2607  
but is not limited to, the following: 2608

(a) Placing, or causing to be placed, any advertisement 2609  
indicating that special terms, reduced rates, guaranteed rates, 2610  
particular rates, or any other special feature of ~~mortgage~~ loans 2611  
made under sections 1321.51 to 1321.60 of the Revised Code is 2612  
available unless the advertisement clearly states any 2613  
limitations that apply; 2614

(b) Placing, or causing to be placed, any advertisement 2615  
containing a rate or special fee offer that is not a bona fide 2616  
available rate or fee. 2617

(B) In making any advertisement, a registrant shall comply 2618  
with 12 C.F.R. 226.16, as amended. 2619

**Sec. 1321.72.** Except as provided in division (D) of 2620  
section 1321.78, sections 1321.71 to 1321.83 of the Revised Code 2621  
do not apply with respect to any of the following: 2622

(A) Life, property, or casualty insurance companies 2623  
authorized to do business in this state as to policies issued by 2624  
those companies; 2625

(B) The inclusion of a charge for insurance in connection 2626  
with any installment transaction pursuant to Chapter 1317. of 2627  
the Revised Code; 2628

(C) The financing of insurance premiums at a rate of 2629  
interest not exceeding the maximum rate permitted by section 2630  
1343.01 of the Revised Code; 2631

(D) Persons lawfully doing business under the authority of 2632  
any law of this state, another state, or the United States 2633  
relating to banks, savings banks, trust companies, savings and 2634  
loan associations, lenders authorized to make loans pursuant to 2635  
sections 1321.01 to 1321.19 of the Revised Code, lenders 2636  
authorized to make loans pursuant to sections 1321.51 to 1321.60 2637  
of the Revised Code, mortgage lenders authorized to make loans 2638  
under Chapter 1322. of the Revised Code, or any credit union; 2639

(E) Any person who purchases or otherwise acquires a 2640  
premium finance agreement from a licensee if the licensee 2641  
remains responsible for collecting payments due under the 2642  
agreement, and for otherwise servicing the agreement, in 2643  
compliance with sections 1321.71 to 1321.83 of the Revised Code. 2644

**Sec. 1321.99.** (A) Whoever violates section 1321.02 of the 2645  
Revised Code is guilty of a felony of the fifth degree. 2646

(B) Whoever violates section 1321.13 of the Revised Code 2647  
shall be fined not less than one hundred nor more than five 2648

hundred dollars or imprisoned not more than six months, or both. 2649

(C) Whoever violates section 1321.14 of the Revised Code 2650  
shall be fined not less than fifty nor more than two hundred 2651  
dollars for a first offense; for a second offense such person 2652  
shall be fined not less than two hundred nor more than five 2653  
hundred dollars and imprisoned for not more than six months. 2654

(D) Whoever willfully violates section 1321.57, 1321.58, 2655  
division (A), (B), or (C), ~~or (D)~~ of section 1321.59, 1321.591, 2656  
or 1321.60 of the Revised Code is guilty of a minor misdemeanor 2657  
and shall be fined not less than one nor more than five hundred 2658  
dollars. 2659

(E) Whoever violates section 1321.52 or division (H), (I), 2660  
(J), or (K), ~~(L)~~, ~~or (M)~~ of section 1321.59 of the Revised Code 2661  
is guilty of a felony of the fifth degree. 2662

(F) Whoever violates division (A) of section 1321.73 of 2663  
the Revised Code shall be fined not more than five hundred 2664  
dollars or imprisoned not more than six months, or both. 2665

(G) Whoever violates section 1321.41 of the Revised Code 2666  
is guilty of a misdemeanor of the first degree. 2667

~~(H) Whoever violates division (N) of section 1321.59 of~~ 2668  
~~the Revised Code is guilty of a felony of the fourth degree.~~ 2669

~~(I)~~ The imposition of fines pursuant to this section does 2670  
not preclude the imposition of any administrative fines or civil 2671  
penalties authorized under section 1321.54 or any other section 2672  
of the Revised Code. 2673

**Sec. 1322.01.** As used in ~~sections 1322.01 to 1322.12 of~~ 2674  
~~the Revised Code~~ this chapter: 2675

(A) "Administrative or clerical tasks" mean the receipt, 2676

collection, and distribution of information common for the 2677  
processing or underwriting of a loan in the mortgage industry, 2678  
without performing any analysis of the information, and 2679  
communication with a consumer to obtain information necessary 2680  
for the processing or underwriting of a residential mortgage 2681  
loan. 2682

(B) "Advertising" means a commercial message in any medium 2683  
that promotes, either directly or indirectly, a residential 2684  
mortgage lending transaction. 2685

(C) "Application" has the same meaning as in 12 C.F.R. 2686  
1026.2(a)(3). 2687

(D) "Approved education course" means any course approved 2688  
by the nationwide mortgage licensing system and registry. 2689

(E) "Approved test provider" means any test provider 2690  
approved by the nationwide mortgage licensing system and 2691  
registry. 2692

(F) "Bona fide third party" means a person that provides 2693  
services relative to the origination of a residential mortgage 2694  
loan, including, but not limited to, real estate appraisers and 2695  
credit reporting agencies. 2696

(G) "Borrower" means a person seeking a residential 2697  
mortgage loan or an obligor on a residential mortgage loan. 2698

(H) "Branch office" means a location at which a licensee 2699  
conducts business other than a registrant's principal place of 2700  
business, if at least one of the following applies to the 2701  
location: 2702

(1) The address of the location appears on business cards, 2703  
stationery, or advertising used by the registrant; 2704

(2) The registrant's name or advertising at the location 2705  
suggests that mortgage transactions are made at the location; 2706

(3) The location is held out to the public as a licensee's 2707  
place of business due to the actions of an employee or 2708  
independent contractor of the registrant; or 2709

(4) The location within this state is controlled directly 2710  
or indirectly by the registrant. 2711

(I) "Buyer" means an individual who is solicited to 2712  
purchase or who purchases the services of a mortgage broker-loan 2713  
originator for purposes of obtaining a residential mortgage 2714  
loan. 2715

~~(B)~~ (J) "Commercial context" means that an individual who 2716  
acts as a mortgage loan originator does so for the purpose of 2717  
obtaining profit for an entity or individual for which the 2718  
individual acts, including a sole proprietorship or other entity 2719  
that includes only the individual, rather than exclusively for 2720  
public, charitable, or family purposes. 2721

(K) "Consumer reporting agency" has the same meaning as in 2722  
the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 2723  
1681a, as amended. 2724

~~(C)~~ (L) "Control" means the power, directly or indirectly, 2725  
to direct the management or policies of an entity, whether 2726  
through ownership of securities, by contract, or otherwise. A 2727  
person is presumed to control an entity if that person: 2728

(1) Is a director, general partner, or executive officer 2729  
or is an individual that occupies a similar position or performs 2730  
a similar function; 2731

(2) Directly or indirectly has the right to vote five per 2732

cent or more of a class of a voting security or has the power to 2733  
sell or direct the sale of five per cent or more of a class of 2734  
voting securities; 2735

(3) In the case of a limited liability company, is a 2736  
managing member; or 2737

(4) In the case of a partnership, has the right to receive 2738  
upon dissolution or has contributed five per cent or more of the 2739  
capital. 2740

(M) "Depository institution" has the same meaning as in 2741  
section 3 of the "Federal Deposit Insurance Act," 12 U.S.C. 2742  
1813(c), and also includes any credit union. 2743

(N) "Dwelling" has the same meaning as in 15 U.S.C. 2744  
1602(w). 2745

(O) "Employee" means an individual for whom a mortgage 2746  
broker or mortgage lender, in addition to providing a wage or 2747  
salary, pays social security and unemployment taxes, provides 2748  
workers' compensation coverage, and withholds local, state, and 2749  
federal income taxes. "Employee" also includes any individual 2750  
who acts as a mortgage loan originator or operations manager of 2751  
a registrant, but for whom the registrant is prevented by law 2752  
from making income tax withholdings. 2753

~~(D)~~ (P) "Entity" means a business organization, including 2754  
a sole proprietorship. 2755

(Q) "Escrow account" means a deposit account with a 2756  
financial institution that provides deposit insurance, which 2757  
account is separate and distinct from any personal, business, or 2758  
other account of the mortgage lender or mortgage servicer and is 2759  
maintained solely for the holding and payment of escrow funds. 2760

(R) "Escrow funds" means funds entrusted to a mortgage lender or mortgage servicer by a borrower for payment of taxes, insurance, or other payments to be made in connection with the servicing of a loan. 2761  
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(S) "Expungement" means a court-ordered process that involves the destruction of documentation related to past arrests and convictions. 2765  
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(T) "Federal banking agency" means the board of governors of the federal reserve system, the comptroller of the currency, the national credit union administration, or the federal deposit insurance corporation. 2768  
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(U) "Housing finance agency" includes the Ohio housing finance agency created under section 175.02 of the Revised Code. 2772  
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(V) "Immediate family" means an individual's spouse, child, stepchild, parent, stepparent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, or sister-in-law. 2774  
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(W) "Independent contractor" means an individual who performs duties for another person and is not subject to that person's supervision or control. 2778  
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2780

(X) "Individual" means a natural person. 2781

(Y) "Licensee" means any individual who has been issued a mortgage loan originator license under sections 1322.01 to 1322.12 of the Revised Code this chapter. 2782  
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~~(E)(1)~~ (Z) "Loan commitment" means a statement transmitted in writing or electronically by a mortgage lender setting forth the terms and conditions upon which the mortgage lender is willing to make a particular residential mortgage loan to a 2785  
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particular borrower. 2789

(AA) "Loan processor or underwriter" means an individual 2790  
who, with respect to the origination of a residential mortgage 2791  
loan, performs administrative or clerical tasks as an employee 2792  
at the direction of and subject to the supervision of a mortgage 2793  
lender or mortgage broker. For purposes of this division, 2794  
"origination of a residential mortgage loan" means all 2795  
activities related to a residential mortgage loan, from the 2796  
taking of a loan application through the completion of all 2797  
required loan closing documents and the funding of the loan. 2798

(BB) "Mortgage" means the consensual interest in real 2799  
property located in this state, including improvements to that 2800  
property, securing a debt evidence by a mortgage, trust 2801  
indenture, deed of trust, or other lien on real property. 2802

(CC) "Mortgage broker" means an entity that obtains, 2803  
attempts to obtain, or assists in obtaining a mortgage loan for 2804  
a borrower from a mortgage lender in return for consideration or 2805  
in anticipation of consideration. For purposes of this division, 2806  
"attempting to obtain or assisting in obtaining" a mortgage loan 2807  
includes referring a borrower to a mortgage lender, soliciting 2808  
or offering to solicit a mortgage loan on behalf of a borrower, 2809  
or negotiating or offering to negotiate the terms or conditions 2810  
of a mortgage loan with a mortgage lender on behalf of a 2811  
borrower. 2812

(DD) "Mortgage lender" means an entity that consummates a 2813  
residential mortgage loan, advances funds, offers to advance 2814  
funds, or commits to advancing funds for a residential mortgage 2815  
loan applicant. 2816

(EE) (1) "~~Loan~~ Mortgage loan originator" means an 2817



individual who for compensation or gain, or in ~~anticipation~~ the 2818  
expectation of compensation or gain, does any of the following: 2819

(a) Takes ~~or offers to take~~ a residential mortgage loan 2820  
application; 2821

(b) Assists or offers to assist a buyer in obtaining or 2822  
applying to obtain a residential mortgage loan by, among other 2823  
things, advising on loan terms, including rates, fees, and other 2824  
costs; 2825

(c) Offers or negotiates terms of a residential mortgage 2826  
loan; 2827

(d) Issues or offers to issue a commitment for a 2828  
residential mortgage loan to a buyer. 2829

(2) "~~Loan~~ Mortgage loan originator" does not include any 2830  
of the following: 2831

(a) An individual who performs purely administrative or 2832  
clerical tasks on behalf of a mortgage loan originator; 2833

(b) A person licensed under Chapter 4735. of the Revised 2834  
Code, or under the similar law of another state, who performs 2835  
only real estate brokerage activities permitted by that license, 2836  
provided the person is not compensated by a mortgage lender, 2837  
mortgage broker, mortgage loan originator, or by any agent 2838  
thereof; 2839

(c) A person solely involved in extensions of credit 2840  
relating to timeshare plans, as that term is defined in 11 2841  
U.S.C. 101 ~~in effect on January 1, 2009~~; 2842

(d) An employee of a ~~registrant~~ mortgage lender or 2843  
mortgage broker who acts solely as a loan processor or 2844  
underwriter and who does not represent to the public, through 2845

advertising or other means of communicating, including the use 2846  
of business cards, stationery, brochures, signs, rate lists, or 2847  
other promotional items, that the employee can or will perform 2848  
any of the activities of a mortgage loan originator; 2849

(e) A ~~mortgage~~ loan originator licensed under sections 2850  
1321.51 to 1321.60 of the Revised Code, when acting solely under 2851  
that authority; 2852

(f) A licensed attorney who negotiates the terms of a 2853  
residential mortgage loan on behalf of a client as an ancillary 2854  
matter to the attorney's representation of the client, unless 2855  
the attorney is compensated by a mortgage lender, a mortgage 2856  
broker, or another mortgage loan originator, or by any agent 2857  
thereof; 2858

(g) Any person engaged in the retail sale of manufactured 2859  
homes, mobile homes, or industrialized units if, in connection 2860  
with financing those retail sales, the person only assists the 2861  
borrower by providing or transmitting the loan application and 2862  
does not do any of the following: 2863

(i) Offer or negotiate the residential mortgage loan rates 2864  
or terms; 2865

(ii) Provide any counseling with borrowers about 2866  
residential mortgage loan rates or terms; 2867

(iii) Receive any payment or fee from any company or 2868  
individual for assisting the borrower obtain or apply for 2869  
financing to purchase the manufactured home, mobile home, or 2870  
industrialized unit; 2871

(iv) Assist the borrower in completing a residential 2872  
mortgage loan application. 2873

(h) An individual employed by a nonprofit organization 2874  
that is recognized as tax exempt under 26 U.S.C. 501(c)(3) and 2875  
whose primary activity is the construction, remodeling, or 2876  
rehabilitation of homes for use by low-income families, provided 2877  
that the nonprofit organization makes no-profit mortgage loans 2878  
or mortgage loans at zero per cent interest to low-income 2879  
families and no fees accrue directly to the nonprofit 2880  
organization or individual employed by the nonprofit 2881  
organization from those mortgage loans and that the United 2882  
States department of housing and urban development does not deny 2883  
this exemption. 2884

~~(F) "Mortgage" means any indebtedness secured by a deed of 2885  
trust, security deed, or other lien on real property. 2886~~

~~(G) (1) "Mortgage broker" means any of the following: 2887~~

~~(a) A person that holds that person out as being able to 2888  
assist a buyer in obtaining a mortgage and charges or receives 2889  
from either the buyer or lender money or other valuable 2890  
consideration readily convertible into money for providing this 2891  
assistance; 2892~~

~~(b) A person that solicits financial and mortgage 2893  
information from the public, provides that information to a 2894  
mortgage broker or a person that makes residential mortgage 2895  
loans, and charges or receives from either of them money or 2896  
other valuable consideration readily convertible into money for 2897  
providing the information; 2898~~

~~(c) A person engaged in table funding or warehouse lending 2899  
mortgage loans that are first lien residential mortgage loans. 2900~~

~~(2) "Mortgage broker" does not include any of the 2901  
following persons only with respect to business engaged in or 2902~~

~~authorized by the person's charter, license, authority,~~ 2903  
~~approval, or certificate, or as otherwise authorized by division~~ 2904  
~~(G) (2) (h) of this section.~~ 2905

~~(a) A person that makes residential mortgage loans and~~ 2906  
~~receives a scheduled payment on each of those mortgage loans;~~ 2907

~~(b) Any entity chartered and lawfully doing business under~~ 2908  
~~the authority of any law of this state, another state, or the~~ 2909  
~~United States as a bank, savings bank, trust company, savings~~ 2910  
~~and loan association, or credit union, or a subsidiary of any~~ 2911  
~~such entity, which subsidiary is regulated by a federal banking~~ 2912  
~~agency and is owned and controlled by a depository institution;~~ 2913

~~(c) A consumer reporting agency that is in substantial~~ 2914  
~~compliance with the "Fair Credit Reporting Act," 84 Stat. 1128,~~ 2915  
~~15 U.S.C.A. 1681a, as amended;~~ 2916

~~(d) Any political subdivision, or any governmental or~~ 2917  
~~other public entity, corporation, instrumentality, or agency, in~~ 2918  
~~or of the United States or any state;~~ 2919

~~(e) A college or university, or controlled entity of a~~ 2920  
~~college or university, as those terms are defined in section~~ 2921  
~~1713.05 of the Revised Code;~~ 2922

~~(f) Any entity created solely for the purpose of~~ 2923  
~~securitizing loans secured by an interest in real estate,~~ 2924  
~~provided the entity does not service the loans. For purposes of~~ 2925  
~~division (G) (2) (f) of this section, "securitizing" means the~~ 2926  
~~packaging and sale of mortgage loans as a unit for sale as~~ 2927  
~~investment securities, but only to the extent of those~~ 2928  
~~activities.~~ 2929

~~(g) Any person engaged in the retail sale of manufactured~~ 2930  
~~homes, mobile homes, or industrialized units if, in connection~~ 2931

~~with obtaining financing by others for those retail sales, the~~ 2932  
~~person only assists the borrower by providing or transmitting~~ 2933  
~~the loan application and does not do any of the following:~~ 2934

~~(i) Offer or negotiate the residential mortgage loan rates~~ 2935  
~~or terms;~~ 2936

~~(ii) Provide any counseling with borrowers about~~ 2937  
~~residential mortgage loan rates or terms;~~ 2938

~~(iii) Receive any payment or fee from any company or~~ 2939  
~~individual for assisting the borrower obtain or apply for~~ 2940  
~~financing to purchase the manufactured home, mobile home, or~~ 2941  
~~industrialized unit;~~ 2942

~~(iv) Assist the borrower in completing the residential~~ 2943  
~~mortgage loan application.~~ 2944

~~(h) A mortgage banker, provided it complies with section~~ 2945  
~~1322.022 of the Revised Code and holds a valid letter of~~ 2946  
~~exemption issued by the superintendent. For purposes of this~~ 2947  
~~section, "mortgage banker" means any person that makes,~~ 2948  
~~services, buys, or sells residential mortgage loans secured by a~~ 2949  
~~first lien, that underwrites the loans, and that meets at least~~ 2950  
~~one of the following criteria:~~ 2951

~~(i) The person has been directly approved by the United~~ 2952  
~~States department of housing and urban development as a~~ 2953  
~~nonsupervised mortgagee with participation in the direct~~ 2954  
~~endorsement program. Division (G) (2) (h) (i) of this section~~ 2955  
~~includes a person that has been directly approved by the United~~ 2956  
~~States department of housing and urban development as a~~ 2957  
~~nonsupervised mortgagee with participation in the direct~~ 2958  
~~endorsement program and that makes loans in excess of the~~ 2959  
~~applicable loan limit set by the federal national mortgage~~ 2960

~~association, provided that the loans in all respects, except~~ 2961  
~~loan amounts, comply with the underwriting and documentation~~ 2962  
~~requirements of the United States department of housing and~~ 2963  
~~urban development. Division (G) (2) (h) (i) of this section does~~ 2964  
~~not include a mortgagee approved as a loan correspondent.~~ 2965

~~(ii) The person has been directly approved by the federal~~ 2966  
~~national mortgage association as a seller/servicer. Division (G)~~ 2967  
~~(2) (h) (ii) of this section includes a person that has been~~ 2968  
~~directly approved by the federal national mortgage association~~ 2969  
~~as a seller/servicer and that makes loans in excess of the~~ 2970  
~~applicable loan limit set by the federal national mortgage~~ 2971  
~~association, provided that the loans in all respects, except~~ 2972  
~~loan amounts, comply with the underwriting and documentation~~ 2973  
~~requirements of the federal national mortgage association.~~ 2974

~~(iii) The person has been directly approved by the federal~~ 2975  
~~home loan mortgage corporation as a seller/servicer. Division~~ 2976  
~~(G) (2) (h) (iii) of this section includes a person that has been~~ 2977  
~~directly approved by the federal home loan mortgage corporation~~ 2978  
~~as a seller/servicer and that makes loans in excess of the~~ 2979  
~~applicable loan limit set by the federal home loan mortgage~~ 2980  
~~corporation, provided that the loans in all respects, except~~ 2981  
~~loan amounts, comply with the underwriting and documentation~~ 2982  
~~requirements of the federal home loan mortgage corporation.~~ 2983

~~(iv) The person has been directly approved by the United~~ 2984  
~~States department of veterans affairs as a nonsupervised~~ 2985  
~~automatic lender. Division (G) (2) (h) (iv) of this section does~~ 2986  
~~not include a person directly approved by the United States~~ 2987  
~~department of veterans affairs as a nonsupervised lender, an~~ 2988  
~~agent of a nonsupervised automatic lender, or an agent of a~~ 2989  
~~nonsupervised lender.~~ 2990

~~(i) A nonprofit organization that is recognized as tax-exempt under 26 U.S.C. 501(c) (3) and whose primary activity is the construction, remodeling, or rehabilitation of homes for use by low income families, provided that the nonprofit organization makes no profit mortgage loans or mortgage loans at zero percent interest to low income families and no fees accrue directly to the nonprofit organization from those mortgage loans and that the United States department of housing and urban development does not deny this exemption.~~ 2991  
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~~(j) A credit union service organization, provided that the organization utilizes services provided by registered loan originators or that it holds a valid letter of exemption issued by the superintendent under section 1322.023 of the Revised Code and complies with that section.~~ 3000  
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~~(H) "Operations manager" means the employee or owner responsible for the everyday operations, compliance requirements, and management of a mortgage broker business.~~ 3005  
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~~(I) "Registered loan originator" means an individual to whom both of the following apply:~~ 3008  
3009

~~(1) The individual is a loan originator and an employee of a depository institution, a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency, or an institution regulated by the farm credit administration.~~ 3010  
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~~(2) The individual is registered with, and maintains a unique identifier through, the nationwide mortgage licensing system and registry.~~ 3015  
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~~(J) "Registrant" means any person that has been issued a mortgage broker certificate of registration under sections~~ 3018  
3019

~~1322.01 to 1322.12 of the Revised Code.~~ 3020

~~(K) "Superintendent of financial institutions" includes~~ 3021  
~~the deputy superintendent for consumer finance as provided in~~ 3022  
~~section 1181.21 of the Revised Code.~~ 3023

~~(L) "Table funding mortgage loan" means a residential~~ 3024  
~~mortgage loan transaction in which the residential mortgage loan~~ 3025  
~~is initially payable to the mortgage broker, the mortgage broker~~ 3026  
~~does not use the mortgage broker's own funds to fund the~~ 3027  
~~transaction, and, by the terms of the mortgage or other~~ 3028  
~~agreement, the mortgage is simultaneously assigned to another~~ 3029  
~~person.~~ 3030

~~(M) "Warehouse lending mortgage loan" means a residential~~ 3031  
~~mortgage loan transaction in which the residential mortgage loan~~ 3032  
~~is initially payable to the mortgage broker, the mortgage broker~~ 3033  
~~uses the mortgage broker's own funds to fund the transaction,~~ 3034  
~~and the mortgage is sold or assigned before the mortgage broker~~ 3035  
~~receives a scheduled payment on the residential mortgage loan.~~ 3036

~~(N) "Administrative or clerical tasks" means the receipt,~~ 3037  
~~collection, and distribution of information common for the~~ 3038  
~~processing or underwriting of a loan in the mortgage industry,~~ 3039  
~~and communication with a consumer to obtain information~~ 3040  
~~necessary for the processing or underwriting of a residential~~ 3041  
~~mortgage loan.~~ 3042

~~(O) "Appraisal company" means a sole proprietorship,~~ 3043  
~~partnership, corporation, limited liability company, or any~~ 3044  
~~other business entity or association, that employs or retains~~ 3045  
~~the services of a person licensed or certified under Chapter~~ 3046  
~~4763. of the Revised Code for purposes of performing residential~~ 3047  
~~real estate appraisals for mortgage loans.~~ 3048



~~(P) "Depository institution" has the same meaning as in section 3 of the "Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 1813, and includes any credit union.~~ 3049 3050 3051

~~(Q) "Federal banking agency" means the board of governors of the federal reserve system, the comptroller of the currency, the director of the office of thrift supervision, the national credit union administration, and the federal deposit insurance corporation.~~ 3052 3053 3054 3055 3056

~~(R) "Immediate family" means an individual's spouse, child, stepchild, parent, stepparent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, or sister-in-law.~~ 3057 3058 3059 3060

~~(S) "Individual" means a natural person.~~ 3061

~~(T) "Loan processor or underwriter" means an individual who performs clerical or support duties at the direction of and subject to the supervision and instruction of a licensed loan originator or registered loan originator. For purposes of this division, to "perform clerical or support duties" means to do all of the following activities:~~ 3062 3063 3064 3065 3066 3067

~~(1) Receiving, collecting, distributing, and analyzing information common for the processing or underwriting of a residential mortgage loan.~~ 3068 3069 3070

~~(2) Communicating with a buyer to obtain the information necessary for the processing or underwriting of a loan, to the extent the communication does not include offering or negotiating loan rates or terms or counseling buyers about residential mortgage loan rates or terms.~~ 3071 3072 3073 3074 3075

~~(U) (FF) "Nationwide mortgage licensing system and registry" means a mortgage licensing system developed and~~ 3076 3077

maintained by the conference of state bank supervisors and the 3078  
American association of residential mortgage regulators, or 3079  
their successor entities, for the licensing and registration of 3080  
~~loan originators, or any system established by the secretary of~~ 3081  
~~housing and urban development pursuant to the "Secure and Fair~~ 3082  
~~Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810,~~ 3083  
~~12 U.S.C. 5101~~ persons providing non-depository financial 3084  
services. 3085

~~(V)~~ (GG) "Nontraditional mortgage product" means any 3086  
mortgage product other than a thirty-year fixed rate mortgage. 3087

~~(W)~~ (HH) "Person" means an individual, sole 3088  
proprietorship, corporation, company, limited liability company, 3089  
partnership, limited liability partnership, trust, or 3090  
association. 3091

(II) "Real estate brokerage activity" means any activity 3092  
that involves offering or providing real estate brokerage 3093  
services to the public, including all of the following: 3094

(1) Acting as a real estate ~~agent~~ salesperson or real 3095  
estate broker for a buyer, seller, lessor, or lessee of real 3096  
property; 3097

(2) Bringing together parties interested in the sale, 3098  
purchase, lease, rental, or exchange of real property, ~~other~~ 3099  
~~than in connection with providing financing for any such~~ 3100  
~~transaction;~~ 3101

(3) Negotiating, on behalf of any party, any portion of a 3102  
contract relating to the sale, purchase, lease, rental, or 3103  
exchange of real property, other than in connection with 3104  
providing financing for any such transaction; 3105

(4) Engaging in any activity for which a person engaged in 3106

that activity is required to be ~~registered or~~ licensed as a real 3107  
estate ~~agent-salesperson~~ or real estate broker under ~~any~~ 3108  
~~applicable the law of this state;~~ 3109

(5) Offering to engage in any activity, or to act in any 3110  
capacity, described in division ~~(W)~~ (II) of this section. 3111

~~(X)~~ (JJ) "Registered mortgage loan originator" means an 3112  
individual to whom both of the following apply: 3113

(1) The individual is a mortgage loan originator and an 3114  
employee of a depository institution, a subsidiary that is owned 3115  
and controlled by a depository institution and regulated by a 3116  
federal banking agency, or an institution regulated by the farm 3117  
credit administration. 3118

(2) The individual is registered with, and maintains a 3119  
unique identifier through, the nationwide mortgage licensing 3120  
system and registry. 3121

(KK) "Registrant" means any person that has been issued a 3122  
certificate of registration under this chapter. 3123

(LL) "Residential mortgage loan" means any loan that meets 3124  
both of the following requirements: 3125

(1) It is primarily for personal, family, or household use 3126  
~~that and~~ is secured by a mortgage, deed of trust, or other 3127  
equivalent consensual security interest on a dwelling or on 3128  
residential real estate ~~upon which is constructed or intended to~~ 3129  
~~be constructed a dwelling. For purposes of this division,~~ 3130  
~~"dwelling" has the same meaning as in section 103 of the "Truth-~~ 3131  
~~in Lending Act," 82 Stat. 146, 15 U.S.C 1602~~ located in Ohio. 3132

(2) It is provided and secured by a first lien holder 3133  
secured creditor or by a second lien holder secured creditor. 3134

~~(Y) "State," in the context of referring to states in~~ 3135  
~~addition to Ohio, means any state of the United States, the~~ 3136  
~~district of Columbia, any territory of the United States, Puerto~~ 3137  
~~Rico, Guam, American Samoa, the trust territory of the Pacific~~ 3138  
~~islands, the virgin islands, and the northern Mariana islands.~~ 3139

~~(Z)~~ (MM) "Residential real estate" means any real property 3140  
located in this state upon which is constructed a dwelling or 3141  
upon which a dwelling is intended to be built within a two-year 3142  
period, subject to 24 C.F.R. 3500.5(b)(4). For purposes of this 3143  
division, a borrower's intent to build a dwelling within a two- 3144  
year period is presumed unless the borrower has submitted a 3145  
written, signed statement to the contrary. 3146

(NN) "Superintendent of financial institutions" includes 3147  
the deputy superintendent for consumer finance as provided in 3148  
section 1181.21 of the Revised Code. 3149

(OO) "Ultimate equity owner" means an individual who, 3150  
directly or indirectly, owns or controls an ownership interest 3151  
in a corporation, a foreign corporation, an alien business 3152  
organization, or any other form of business organization, 3153  
regardless of whether the individual owns or controls an 3154  
ownership interest, individually or in any combination, through 3155  
one or more persons or one or more proxies, powers of attorney, 3156  
nominees, corporations, associations, partnerships, trusts, 3157  
joint-stock companies, or other entities or devices. 3158

(PP) "Unique identifier" means a number or other 3159  
identifier that permanently identifies a loan originator and is 3160  
assigned by protocols established by the nationwide mortgage 3161  
licensing system and registry or federal banking agencies to 3162  
facilitate electronic tracking of loan originators and uniform 3163  
identification of, and public access to, the employment history 3164

~~of and the publicly adjudicated disciplinary and enforcement~~ 3165  
~~actions against loan originators.~~ 3166

**Sec. ~~1322.024~~ 1322.02.** The superintendent of financial 3167  
institutions may, by rule, ~~expand~~ amend the definition of 3168  
mortgage loan originator ~~or~~, mortgage broker, or mortgage 3169  
lender in section 1322.01 of the Revised Code ~~by adding~~ 3170  
~~individuals, persons, or entities, or may exempt additional~~ 3171  
~~individuals, persons, or entities from those definitions, or the~~ 3172  
criteria for an entity to obtain a letter of exemption under 3173  
division (B) (1) of section 1322.05 of the Revised Code, if the 3174  
superintendent finds that the addition or exemption change is 3175  
necessary to remain consistent with the purposes ~~fairly~~ intended 3176  
by the policy and provisions of ~~sections 1322.01 to 1322.12 of~~ 3177  
~~the Revised Code and the "Secure and Fair Enforcement for~~ 3178  
~~Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.~~ 3179

Rules authorized by this section shall be adopted in 3180  
accordance with Chapter 119. of the Revised Code. 3181

**Sec. 1322.04.** This chapter does not apply to any of the 3182  
following: 3183

(A) Any entity chartered and lawfully doing business under 3184  
the authority of any law of this state, another state, or the 3185  
United States as a bank, savings bank, trust company, savings 3186  
and loan association, or credit union, or a subsidiary of any 3187  
such entity, which subsidiary is regulated by a federal banking 3188  
agency and is owned and controlled by a depository institution; 3189

(B) A consumer reporting agency that is in substantial 3190  
compliance with the "Fair Credit Reporting Act," 84 Stat. 1128, 3191  
15 U.S.C. 1681a, as amended; 3192

(C) Any political subdivision, or any governmental or 3193

other public entity, corporation, instrumentality, or agency, in 3194  
or of the United States or any state; 3195

(D) A college or university, or controlled entity of a 3196  
college or university, as those terms are defined in section 3197  
1713.05 of the Revised Code; 3198

(E) Any entity created solely for the purpose of 3199  
securitizing loans secured by an interest in real estate, 3200  
provide the entity does not service the loans. As used in this 3201  
division, "securitizing" means the packaging and sale of 3202  
mortgage loans as a unit for sale as investment securities, but 3203  
only to the extent of those activities. 3204

(F) Any person engaged in the retail sale of manufactured 3205  
homes, mobile homes, or industrialized units if, in connection 3206  
with obtaining financing by others for those retail sales, the 3207  
person only assists the borrower by providing or transmitting 3208  
the loan application and does not do any of the following: 3209

(1) Offer or negotiate the residential mortgage loan rates 3210  
or terms; 3211

(2) Provide any counseling with borrowers about 3212  
residential mortgage loan rates or terms; 3213

(3) Receive any payment or fee from any company or 3214  
individual for assisting the borrower to obtain or apply for 3215  
financing to purchase the manufactured home, mobile home, or 3216  
industrialized unit; 3217

(4) Assist the borrower in completing the residential 3218  
mortgage loan application. 3219

(G) A bona fide nonprofit organization that is recognized 3220  
as tax exempt under 26 U.S.C. 501(c)(3) and whose primary 3221

activity is the construction, remodeling, or rehabilitation of 3222  
homes for use by low-income families, provided that the 3223  
organization makes no-profit mortgage loans or mortgage loans at 3224  
zero per cent interest to low-income families and no fees accrue 3225  
directly to the organization from those mortgage loans and that 3226  
the United States department of housing and urban development 3227  
does not deny this exemption; 3228

(H) A credit union service organization, provided that the 3229  
organization utilizes services provided by registered mortgage 3230  
loan originators or that it holds a valid letter of exemption 3231  
issued by the superintendent of financial institutions under 3232  
division (B) (1) of section 1322.05 of the Revised Code. 3233

(I) A depository institution not otherwise required to be 3234  
licensed under this chapter that voluntarily makes a filing on 3235  
the nationwide mortgage licensing system and registry as an 3236  
exempt entity for the purpose of licensing loan originators 3237  
exclusively associated with the institution and that holds a 3238  
valid letter of exemption issued by the superintendent pursuant 3239  
to division (B) (1) of section 1322.05 of the Revised Code. 3240

**Sec. ~~1322.023~~ 1322.05.** (A) A credit union service 3241  
organization or depository institution seeking exemption from 3242  
registration pursuant to division ~~(G) (2) (j)~~ (H) or (I) of 3243  
section ~~1322.01~~ 1322.04 of the Revised Code or rules adopted by 3244  
the superintendent in accordance with section 1322.02 of the 3245  
Revised Code shall submit an application to the superintendent 3246  
of financial institutions along with a nonrefundable fee of 3247  
three hundred fifty dollars for each location of an office to be 3248  
maintained by the organization or institution seeking exemption. 3249  
The application shall be in a form prescribed by the 3250  
superintendent and shall include all of the following: 3251

- (1) The organization's or institution's business name and 3252  
state of incorporation or business registration; 3253
- (2) The names of the owners, officers, or partners having 3254  
control of the organization or institution; 3255
- (3) An attestation to all of the following: 3256
- (a) That the organization or institution and its owners, 3257  
officers, or partners identified in division (A) (2) of this 3258  
section have not had a credit union service organization 3259  
registration or license, mortgage banker license, mortgage 3260  
broker certificate of registration, or mortgage loan originator 3261  
license, or any comparable authority, revoked in any 3262  
governmental jurisdiction; 3263
- (b) That the organization or institution and its owners, 3264  
officers, or partners identified in division (A) (2) of this 3265  
section have not been convicted of, or pleaded guilty or nolo 3266  
contendere to, any of the following in a domestic, foreign, or 3267  
military court: 3268
- (i) During the seven-year period immediately preceding the 3269  
date of application for exemption, a misdemeanor involving theft 3270  
or any felony; 3271
- (ii) At any time prior to the date the application for 3272  
exemption is approved, a felony involving an act of fraud, 3273  
dishonesty, a breach of trust, theft, or money laundering. 3274
- (c) That, with respect to financing residential mortgage 3275  
loans, the organization or institution conducts business with 3276  
residents of this state or secures its loans with property 3277  
located in this state. 3278
- (4) The names of all mortgage loan originators or 3279



licensees under the organization's or institution's control and 3280  
direction; 3281

(5) An acknowledgment of understanding that the 3282  
organization or institution is subject to the regulatory 3283  
authority of the division of financial institutions as described 3284  
in this section; 3285

(6) Any further reasonable information that the 3286  
superintendent may require. 3287

(B) (1) If the superintendent determines that the credit 3288  
union service organization ~~honestly made the attestation~~ 3289  
~~required under division (A) (3) of this section and otherwise or~~ 3290  
depository institution qualifies for exemption, the 3291  
superintendent shall issue a letter of exemption. Additional 3292  
certified copies of a letter of exemption shall be provided upon 3293  
request and the payment of seventy-five dollars per copy. 3294

(2) If the superintendent determines that the organization 3295  
or institution does not qualify for exemption, the 3296  
superintendent shall issue a notice of denial, and the 3297  
organization or institution may request a hearing in accordance 3298  
with Chapter 119. of the Revised Code. 3299

(C) All of the following conditions apply to any credit 3300  
union service organization or depository institution holding a 3301  
valid letter of exemption: 3302

(1) The organization or institution shall be subject to 3303  
examination in the same manner as a registrant with respect to 3304  
the conduct of the organization's or institution's mortgage loan 3305  
originators. In conducting any out-of-state examination, the 3306  
organization or institution shall be responsible for paying the 3307  
costs of the division in the same manner as a registrant. 3308

(2) The organization or institution shall have an 3309  
affirmative duty to supervise the conduct of its mortgage loan 3310  
originators, and to cooperate with investigations by the 3311  
division with respect to that conduct, in the same manner as is 3312  
required of registrants. 3313

(3) The organization or institution shall keep and 3314  
maintain records of all transactions relating to the conduct of 3315  
its mortgage loan originators in the same manner as is required 3316  
of registrants. 3317

(4) The organization or institution may provide the surety 3318  
bond for its licensees in the same manner as is permitted for 3319  
registrants. 3320

(D) A letter of exemption expires annually on the thirty- 3321  
first day of December and may be renewed on or before that date 3322  
by submitting an application that meets the requirements of 3323  
division (A) of this section and a nonrefundable renewal fee of 3324  
three hundred fifty dollars for each location of an office to be 3325  
maintained by the credit union service organization or 3326  
depository institution. 3327

(E) The superintendent may issue a notice to revoke or 3328  
suspend a letter of exemption if the superintendent finds that 3329  
the letter was obtained through a false or fraudulent 3330  
representation of a material fact, or the omission of a material 3331  
fact, required by law, or that a condition for exemption is no 3332  
longer being met. Prior to issuing an order of revocation or 3333  
suspension, the credit union service organization or depository 3334  
institution shall be given an opportunity for a hearing in 3335  
accordance with Chapter 119. of the Revised Code. 3336

(F) All information obtained by the division pursuant to 3337

an examination or investigation under this section shall be 3338  
subject to the confidentiality requirements set forth in section 3339  
~~1322.061~~ 1322.36 of the Revised Code. 3340

(G) All money collected under this section shall be 3341  
deposited into the state treasury to the credit of the consumer 3342  
finance fund created in section 1321.21 of the Revised Code. 3343

**Sec. ~~1322.02~~ 1322.07.** (A) ~~(1)~~ No person, on the person's 3344  
own behalf or on behalf of any other person, shall act as a 3345  
mortgage lender or mortgage broker without first having obtained 3346  
a certificate of registration from the superintendent of 3347  
financial institutions for ~~every~~ the principal office and every 3348  
branch office to be maintained by the person for the transaction 3349  
of business as a mortgage lender or mortgage broker in this 3350  
state. A registrant shall maintain an office location ~~in this~~ 3351  
~~state~~ for the transaction of business as a mortgage lender or 3352  
mortgage broker in this state. 3353

~~(2) No person shall act or hold that person's self out as~~ 3354  
~~a mortgage broker under the authority or name of a registrant or~~ 3355  
~~person exempt from sections 1322.01 to 1322.12 of the Revised~~ 3356  
~~Code without first having obtained a certificate of registration~~ 3357  
~~from the superintendent for every office to be maintained by the~~ 3358  
~~person for the transaction of business as a mortgage broker in~~ 3359  
~~this state.~~ 3360

(B) (1) No individual shall act as a mortgage loan 3361  
originator without first having obtained a license from the 3362  
superintendent. A mortgage loan originator shall be employed by 3363  
or associated with a mortgage lender, mortgage broker or any 3364  
~~person or entity listed in division (G) (2) of section 1322.01 of~~ 3365  
~~the Revised Code, or entity holding a valid letter of exemption~~ 3366  
under division (B) (1) of section 1322.05 of the Revised Code, 3367

but shall not be employed by or associated with more than one 3368  
~~mortgage broker or person or entity registrant or entity holding~~ 3369  
~~a valid letter of exemption under division (B) (1) of section~~ 3370  
~~1322.05 of the Revised Code~~ at any one time. 3371

(2) An individual acting under the individual's authority 3372  
as a registered mortgage loan originator shall not be required 3373  
to be licensed under division (B) (1) of this section. 3374

(3) An individual who holds a valid temporary mortgage 3375  
loan originator license issued pursuant to section ~~1322.042~~ 3376  
1322.24 of the Revised Code may engage in the business of a 3377  
mortgage loan originator in accordance with ~~sections 1322.01 to~~ 3378  
~~1322.12 of the Revised Code this chapter~~ during the term of the 3379  
temporary license. 3380

~~(C) (1) No person acting as a mortgage broker or loan~~ 3381  
~~originator shall fail to register with, and maintain a valid~~ 3382  
~~unique identifier issued by, the nationwide mortgage licensing~~ 3383  
~~system and registry.~~ 3384

~~(2) No person shall use a mortgage broker's or loan~~ 3385  
~~originator's unique identifier for any purpose other than as set~~ 3386  
~~forth in the "Secure and Fair Enforcement for Mortgage Licensing~~ 3387  
~~Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101.~~ 3388

**Sec. ~~1322.03~~ 1322.09.** (A) An application for a certificate 3389  
of registration ~~as a mortgage broker~~ shall be in writing, under 3390  
oath, and in ~~the a~~ form prescribed by the superintendent of 3391  
financial institutions that complies with the requirements of 3392  
the nationwide mortgage licensing system and registry. The 3393  
application shall be accompanied by a nonrefundable application 3394  
fee of five hundred dollars for each location of an office to be 3395  
maintained by the applicant in accordance with division (A) of 3396

section ~~1322.02-1322.07~~ of the Revised Code and any additional 3397  
fee required by the nationwide mortgage licensing system and 3398  
registry. ~~The application shall provide all of the following:-~~ 3399

~~(1) The location or locations where the business is to be 3400  
transacted and whether any location is a residence. If any 3401  
location where the business is to be transacted is a residence, 3402  
the superintendent may require that the application be 3403  
accompanied by a copy of a zoning permit authorizing the use of 3404  
the residence for commercial purposes, or by a written opinion 3405  
or other document issued by the county or political subdivision 3406  
where the residence is located certifying that the use of the 3407  
residence to transact business as a mortgage broker is not 3408  
prohibited by the county or political subdivision. 3409~~

~~(2) (a) In the case of a sole proprietor, the name and 3410  
address of the sole proprietor; 3411~~

~~(b) In the case of a partnership, the name and address of 3412  
each partner; 3413~~

~~(c) In the case of a corporation, the name and address of 3414  
each shareholder owning five per cent or more of the 3415  
corporation; 3416~~

~~(d) In the case of any other entity, the name and address 3417  
of any person that owns five per cent or more of the entity that 3418  
will transact business as a mortgage broker. 3419~~

~~(3) Each applicant shall designate an employee or owner of 3420  
the applicant as the applicant's operations manager. While 3421  
acting as the operations manager, the employee or owner shall be 3422  
licensed as a loan originator under sections 1322.01 to 1322.12- 3423  
of the Revised Code and shall not be employed by any other 3424  
mortgage broker. 3425~~

~~(4) Evidence that the person designated on the application pursuant to division (A) (3) of this section possesses at least three years of experience in the residential mortgage and lending field, which experience may include employment with or as a mortgage broker or with a depository institution, mortgage lending institution, or other lending institution, or possesses at least three years of other experience related specifically to the business of residential mortgage loans that the superintendent determines meets the requirements of division (A) (4) of this section;~~

~~(5) Evidence that the person designated on the application pursuant to division (A) (3) of this section has successfully completed the pre-licensing instruction requirements set forth in section 1322.031 of the Revised Code;~~

~~(6) Evidence of compliance with the surety bond requirements of section 1322.05 of the Revised Code and with sections 1322.01 to 1322.12 of the Revised Code;~~

~~(7) In the case of a foreign business entity, evidence that it maintains a license or registration pursuant to Chapter 1703., 1705., 1775., 1776., 1777., 1782., or 1783. of the Revised Code to transact business in this state;~~

~~(8) Evidence that the applicant's operations manager has successfully completed the written test required by section 1322.051 of the Revised Code;~~

~~(9) Any further information that the superintendent requires.~~

(B) Upon the filing of the application and payment of the nonrefundable application fee and any fee required by the nationwide mortgage licensing system and registry, the

superintendent ~~of financial institutions~~ shall investigate the 3455  
applicant, and any individual whose identity is required to be 3456  
disclosed in the application, ~~as set forth in division (B) of~~ 3457  
~~this section.~~ 3458

~~(1) (a) Notwithstanding division (K) of section 121.08 of~~ 3459  
~~the Revised Code, the superintendent shall obtain a criminal~~ 3460  
~~history records check and, as part of that records check,~~ 3461  
~~request that criminal record information from the federal bureau~~ 3462  
~~of investigation be obtained. To fulfill this requirement, the~~ 3463  
~~superintendent shall do either of the following:~~ 3464

~~(i) Request the superintendent of the bureau of criminal~~ 3465  
~~identification and investigation, or a vendor approved by the~~ 3466  
~~bureau, to conduct a criminal records check based on the~~ 3467  
~~applicant's fingerprints or, if the fingerprints are unreadable,~~ 3468  
~~based on the applicant's social security number, in accordance~~ 3469  
~~with section 109.572 of the Revised Code;~~ 3470

~~(ii) Authorize the nationwide mortgage licensing system~~ 3471  
~~and registry to request a criminal history background check.~~ 3472

~~(b) Any fee required under division (C) (3) of section~~ 3473  
~~109.572 of the Revised Code or by the nationwide mortgage~~ 3474  
~~licensing system and registry shall be paid by the applicant.~~ 3475

~~(2) The . As part of that investigation, the~~ 3476  
superintendent shall conduct a civil records check. 3477

~~(3) If, in order to issue a certificate of registration to~~ 3478  
an applicant, additional investigation by the superintendent 3479  
outside this state is necessary, the superintendent may require 3480  
the applicant to advance sufficient funds to pay the actual 3481  
expenses of the investigation, if it appears that these expenses 3482  
will exceed five hundred dollars. The superintendent shall 3483

provide the applicant with an itemized statement of the actual 3484  
expenses that the applicant is required to pay. 3485

(C) In connection with applying for a certificate of 3486  
registration, the applicant shall furnish to the nationwide 3487  
mortgage licensing system and registry information concerning 3488  
the applicant's identity, including all of the following: 3489

(1) The applicant's fingerprints for submission to the 3490  
federal bureau of investigation, and any other governmental 3491  
agency or entity authorized to receive such information, for 3492  
purposes of a state, national, and international criminal 3493  
history background check; 3494

(2) Personal history and experience in a form prescribed 3495  
by the nationwide mortgage licensing system and registry, along 3496  
with authorization for the superintendent and the nationwide 3497  
mortgage licensing system and registry to obtain both of the 3498  
following: 3499

(a) An independent credit report from a consumer reporting 3500  
agency; 3501

(b) Information related to any administrative, civil, or 3502  
criminal findings by any governmental jurisdiction. 3503

(D) The superintendent shall pay all funds advanced and 3504  
application and renewal fees and penalties the superintendent 3505  
receives pursuant to this section and section ~~1322.04~~ 1322.10 of 3506  
the Revised Code to the treasurer of state to the credit of the 3507  
consumer finance fund created in section 1321.21 of the Revised 3508  
Code. 3509

~~(D)~~ (E) If an application for a mortgage broker 3510  
certificate of registration does not contain all of the 3511  
information required under ~~division (A)~~ of this section, and if 3512



that information is not submitted to the superintendent or to 3513  
the nationwide mortgage licensing system and registry within 3514  
ninety days after the superintendent or the nationwide mortgage 3515  
licensing system and registry requests the information in 3516  
writing, including by electronic transmission or facsimile, the 3517  
superintendent may consider the application withdrawn. 3518

~~(E) (F) A mortgage broker~~ certificate of registration and 3519  
the authority granted under that certificate is not transferable 3520  
or assignable and cannot be franchised by contract or any other 3521  
means. 3522

~~(F) The registration requirements of this chapter apply to~~ 3523  
~~any person acting as a mortgage broker, and no person is exempt~~ 3524  
~~from the requirements of this chapter on the basis of prior work~~ 3525  
~~or employment as a mortgage broker.~~ 3526

(G) (1) The superintendent may establish relationships or 3527  
enter into contracts with the nationwide mortgage licensing 3528  
system and registry, or any entities designated by it, to 3529  
collect and maintain records and process transaction fees or 3530  
other fees related to mortgage lender or mortgage broker 3531  
certificates of registration or the persons associated with a 3532  
mortgage lender or mortgage broker. 3533

(2) For purposes of this section and to reduce the points 3534  
of contact that the federal bureau of investigation may have to 3535  
maintain, the division of financial institutions may use the 3536  
nationwide mortgage licensing system and registry as a 3537  
channeling agent for requesting information from and 3538  
distributing information to the United States department of 3539  
justice or other governmental agencies. 3540

(3) For purposes of this section and to reduce the points 3541

of contact that the division may have to maintain, the division 3542  
may use the nationwide mortgage licensing system and registry as 3543  
a channeling agent for requesting information from and 3544  
distributing information to any source as determined by the 3545  
division. 3546

**Sec. ~~1322.04~~ 1322.10.** (A) Upon the conclusion of the 3547  
investigation required under division (B) of section ~~1322.03~~ 3548  
~~1322.09~~ of the Revised Code, the superintendent of financial 3549  
institutions shall issue a certificate of registration to the 3550  
applicant if the superintendent finds that the following 3551  
conditions are met: 3552

(1) The application is accompanied by the application fee 3553  
and any fee required by the nationwide mortgage licensing system 3554  
and registry. 3555

(a) If a check or other draft instrument is returned to 3556  
the superintendent for insufficient funds, the superintendent 3557  
shall notify the applicant by certified mail, return receipt 3558  
requested, that the application will be withdrawn unless the 3559  
applicant, within thirty days after receipt of the notice, 3560  
submits the application fee and a one-hundred-dollar penalty to 3561  
the superintendent. If the applicant does not submit the 3562  
application fee and penalty within that time period, or if any 3563  
check or other draft instrument used to pay the fee or penalty 3564  
is returned to the superintendent for insufficient funds, the 3565  
application shall be withdrawn. 3566

(b) If a check or other draft instrument is returned to 3567  
the superintendent for insufficient funds after the certificate 3568  
of registration has been issued, the superintendent shall notify 3569  
the registrant by certified mail, return receipt requested, that 3570  
the certificate of registration issued in reliance on the check 3571

or other draft instrument will be canceled unless the 3572  
registrant, within thirty days after receipt of the notice, 3573  
submits the application fee and a one-hundred-dollar penalty to 3574  
the superintendent. If the registrant does not submit the 3575  
application fee and penalty within that time period, or if any 3576  
check or other draft instrument used to pay the fee or penalty 3577  
is returned to the superintendent for insufficient funds, the 3578  
certificate of registration shall be canceled immediately 3579  
without a hearing, and the registrant shall cease activity as a 3580  
mortgage broker. 3581

(2) If the application is for a location that is a 3582  
residence, evidence that the use of the residence to transact 3583  
business as a mortgage lender or mortgage broker is not 3584  
prohibited. 3585

~~(3) The person designated on the application pursuant to~~ 3586  
~~division (A) (3) of section 1322.03 of the Revised Code meets the~~ 3587  
~~experience requirements provided in division (A) (4) of section~~ 3588  
~~1322.03 of the Revised Code and the education requirements set~~ 3589  
~~forth in division (A) (5) of section 1322.03 of the Revised Code.~~ 3590

~~(4)~~ The applicant maintains all necessary filings and 3591  
approvals required by the secretary of state. 3592

~~(5)~~ (4) The applicant complies with the surety bond 3593  
requirements of section ~~1322.05~~ 1322.32 of the Revised Code. 3594

~~(6)~~ (5) The applicant complies with sections 1322.01 to 3595  
~~1322.12 of the Revised Code and the rules adopted thereunder~~ has 3596  
not made a material misstatement of fact or material omission of 3597  
fact in the application. 3598

~~(7)~~ (6) Neither the applicant nor any person whose 3599  
identity is required to be disclosed on an application for a 3600

~~mortgage broker~~ certificate of registration has had such a 3601  
~~mortgage broker~~ certificate of registration or mortgage loan 3602  
originator license, or any comparable authority, revoked in any 3603  
governmental jurisdiction or has pleaded guilty or nolo 3604  
contendere to or been convicted of any of the following in a 3605  
domestic, foreign, or military court: 3606

(a) During the seven-year period immediately preceding the 3607  
date of application for the certificate of registration, a 3608  
misdemeanor involving theft or any felony; 3609

(b) At any time prior to the date the application for the 3610  
certificate of registration is approved, a felony involving an 3611  
act of fraud, dishonesty, a breach of trust, theft, or money 3612  
laundering. 3613

~~(8) Based on the totality of the circumstances and~~ 3614  
~~information submitted in the application, the applicant has~~ 3615  
~~proven to the superintendent, by a preponderance of the~~ 3616  
~~evidence, that the applicant is of good business repute, appears~~ 3617  
~~qualified to act as a mortgage broker, has fully complied with~~ 3618  
~~sections 1322.01 to 1322.12 of the Revised Code and the rules~~ 3619  
~~adopted thereunder, and meets all of the conditions for issuing~~ 3620  
~~a mortgage broker certificate of registration.~~ 3621

~~(9)~~ (7) The applicant's operations manager successfully 3622  
completed the examination required by section ~~1322.051~~ 1322.27 3623  
of the Revised Code. 3624

~~(10)~~ (8) The applicant's financial responsibility, 3625  
experience, character, and general fitness command the 3626  
confidence of the public and warrant the belief that the 3627  
business will be operated honestly ~~and~~, fairly, and efficiently 3628  
in compliance with the purposes of ~~sections 1322.01 to 1322.12~~ 3629

~~of the Revised Code this chapter~~ and the rules adopted 3630  
thereunder. The superintendent shall not use a credit score or a 3631  
bankruptcy as the sole basis for registration denial. 3632

(B) For purposes of determining whether an applicant that 3633  
is a partnership, corporation, or other business entity or 3634  
association has met the conditions set forth in divisions ~~(A)~~ 3635  
~~(7),~~ (A) (6) and (8), ~~and (A) (10)~~ of this section, the 3636  
superintendent shall determine which partners, shareholders, or 3637  
persons named in the application ~~pursuant to division (A) (2) of~~ 3638  
~~section 1322.03 of the Revised Code must meet the those~~ 3639  
~~conditions set forth in divisions (A) (7), (A) (8), and (A) (10) of~~ 3640  
~~this section.~~ This determination shall be based on the extent 3641  
and nature of the partner's, shareholder's, or person's 3642  
ownership interest in the partnership, corporation, or other 3643  
business entity or association that is the applicant and on 3644  
whether the person is in a position to direct, control, or 3645  
adversely influence the operations of the applicant. 3646

(C) The certificate of registration issued pursuant to 3647  
division (A) of this section may be renewed annually on or 3648  
before the thirty-first day of December if the superintendent 3649  
finds that all of the following conditions are met: 3650

(1) The renewal application is accompanied by a 3651  
nonrefundable renewal fee of five hundred dollars for each 3652  
location of an office to be maintained by the applicant in 3653  
accordance with division (A) of section ~~1322.02-1322.07~~ of the 3654  
Revised Code and any fee required by the nationwide mortgage 3655  
licensing system and registry. If a check or other draft 3656  
instrument is returned to the superintendent for insufficient 3657  
funds, the superintendent shall notify the registrant by 3658  
certified mail, return receipt requested, that the certificate 3659

of registration renewed in reliance on the check or other draft 3660  
instrument will be canceled unless the registrant, within thirty 3661  
days after receipt of the notice, submits the renewal fee and a 3662  
one-hundred-dollar penalty to the superintendent. If the 3663  
registrant does not submit the renewal fee and penalty within 3664  
that time period, or if any check or other draft instrument used 3665  
to pay the fee or penalty is returned to the superintendent for 3666  
insufficient funds, the certificate of registration shall be 3667  
canceled immediately without a hearing and the registrant shall 3668  
cease activity as a mortgage broker. 3669

(2) The operations manager designated under ~~division (A)~~ 3670  
~~(3) of section 1322.03-1322.12~~ of the Revised Code has 3671  
completed, at least eight hours of continuing education as 3672  
required under section ~~1322.052-1322.28~~ of the Revised Code. 3673

(3) The applicant meets the conditions set forth in 3674  
divisions (A) (2) to ~~(10)~~ (8) of this section. 3675

(4) The applicant's ~~mortgage broker~~ certificate of 3676  
registration is not subject to an order of suspension or an 3677  
unpaid and past due fine imposed by the superintendent. 3678

(D) (1) Subject to division (D) (2) of this section, if a 3679  
renewal fee or additional fee required by the nationwide 3680  
mortgage licensing system and registry is received by the 3681  
superintendent after the thirty-first day of December, the 3682  
~~mortgage broker~~ certificate of registration shall not be 3683  
considered renewed, and the applicant shall cease activity as a 3684  
mortgage lender or mortgage broker. 3685

(2) Division (D) (1) of this section shall not apply if the 3686  
applicant, ~~no not later than the thirty-first day of January~~ 3687  
forty-five days after the renewal deadline, submits the renewal 3688

fee or additional fee and a one-hundred-dollar penalty to the 3689  
superintendent. 3690

~~(E) If the person designated as the operations manager 3691  
pursuant to division (A) (3) of section 1322.03 of the Revised 3692  
Code is no longer the operations manager, the registrant shall 3693  
do all of the following: 3694~~

~~(1) Within ninety days after the departure of the 3695  
designated operations manager, designate another person as the 3696  
operations manager; 3697~~

~~(2) Within ten days after the designation described in 3698  
division (E) (1) of this section, notify the superintendent in 3699  
writing of the designation; 3700~~

~~(3) Submit any additional information that the 3701  
superintendent requires to establish that the newly designated 3702  
operations manager complies with the requirements set forth in 3703  
section 1322.03 of the Revised Code. 3704~~

~~(F) The registrant shall cease operations if it is without 3705  
an operations manager approved by the superintendent for more 3706  
than one hundred eighty days unless otherwise authorized in 3707  
writing by the superintendent due to exigent circumstances. 3708~~

~~(G) Mortgage broker certificates Certificates of 3709  
registration issued on or after May 1, 2010, under this chapter 3710  
annually expire on the thirty-first day of December. 3711~~

(F) The pardon or expungement of a conviction shall not be 3712  
considered a conviction for purposes of this section. When 3713  
determining the eligibility of an applicant, the superintendent 3714  
may consider the underlying crime, facts, or circumstances 3715  
connected with a pardoned or expunged conviction. 3716

**Sec. 1322.12.** Each registrant or entity holding a valid 3717  
letter of exemption under division (B)(1) of section 1322.05 of 3718  
the Revised Code shall designate an employee or owner of that 3719  
registrant's business as the operations manager. The operations 3720  
manager shall be responsible for the management, supervision, 3721  
and control of a particular location. 3722

To be eligible for such a designation, an employee or 3723  
owner shall have at least three years of experience as a 3724  
mortgage loan originator or registered mortgage loan originator. 3725  
While acting as the operations manager, the employee or owner 3726  
shall be licensed as a mortgage loan originator under this 3727  
chapter and shall not be employed by any other mortgage lender 3728  
or mortgage broker. 3729

~~**Sec. 1322.073**~~ **1322.15.** No person shall acquire, sell, 3730  
transfer, or hypothecate any interest in a registrant or an 3731  
applicant for a certificate of registration under this chapter 3732  
in order to obfuscate or conceal the true ownership or control 3733  
of the registrant or applicant. 3734

~~**Sec. 1322.021**~~ **1322.16.** (A) A registrant that is a 3735  
corporation, limited liability company, partnership, trust, or 3736  
other business entity or association shall notify the division 3737  
of financial institutions of every sale, transfer, or 3738  
hypothecation of any stock, security, membership, partnership, 3739  
or other equitable, beneficial, or ownership interest in the 3740  
entity or association, if the interest represents at least a 3741  
five per cent membership, partnership, or other equitable, 3742  
beneficial, or ownership interest in the entity or association. 3743

(B) Every person that acquires or otherwise receives an 3744  
interest described in division (A) of this section is subject to 3745  
~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter. 3746



The division may make any investigation necessary to determine 3747  
whether any fact or condition exists that, if it had existed at 3748  
the time of the original application for a certificate of 3749  
registration, the fact or condition would have warranted the 3750  
division to deny the application under section ~~1322.04~~ 1322.10 3751  
of the Revised Code. If such a fact or condition is found, the 3752  
division may, in accordance with Chapter 119. of the Revised 3753  
Code, revoke the registrant's certificate. 3754

**Sec. ~~1322.065~~ 1322.17.** A person registered ~~as a mortgage~~ 3755  
~~broker under this chapter~~ solely to sell leads of potential 3756  
buyers to residential mortgage lenders or mortgage brokers, or 3757  
solely to match buyers with residential mortgage lenders or 3758  
mortgage brokers through a computerized loan origination system 3759  
recognized by the United States department of housing and urban 3760  
development, shall be required to make only those disclosures 3761  
under ~~sections 1322.01 to 1322.12 of the Revised Code~~ this 3762  
chapter that apply to the portion of the transaction during 3763  
which they have direct buyer contact, and shall be subject to 3764  
all fair conduct and prohibition requirements in their dealing 3765  
with buyers. 3766

**Sec. ~~1322.031~~ 1322.20.** (A) An application for a license as 3767  
a mortgage loan originator shall be in writing, under oath, and 3768  
in ~~the a~~ form prescribed by the superintendent of financial 3769  
institutions that complies with the requirements of the 3770  
nationwide mortgage licensing system and registry. The 3771  
application shall be accompanied by a nonrefundable application 3772  
fee of one hundred fifty dollars and any additional fee required 3773  
by the nationwide mortgage licensing system and registry. 3774

(B) (1) The application shall provide evidence, acceptable 3775  
to the superintendent, that the applicant has successfully 3776

completed at least twenty-four hours of pre-licensing 3777  
instruction consisting of all of the following: 3778

(a) Twenty hours of instruction in ~~a~~ an approved education 3779  
~~course or program of study reviewed and approved by the~~ 3780  
~~nationwide mortgage licensing system and registry;~~ 3781

(b) Four hours of instruction in a course or program of 3782  
study reviewed and approved by the superintendent concerning 3783  
~~state~~ Ohio lending laws and the Ohio consumer sales practices 3784  
act, Chapter 1345. of the Revised Code, as it applies to 3785  
registrants and licensees. 3786

(2) ~~Notwithstanding division (B)(1) of this section, until~~ 3787  
~~the nationwide mortgage licensing system and registry implements~~ 3788  
~~a review and approval program, the application shall provide~~ 3789  
~~evidence, as determined by the superintendent, that the~~ 3790  
~~applicant has successfully completed at least twenty-four hours~~ 3791  
~~of instruction in a course or program of study approved by the~~ 3792  
~~superintendent that consists of at least all of the following:~~ 3793

~~(a) Four hours of instruction concerning state and federal~~ 3794  
~~mortgage lending laws, which shall include no less than two~~ 3795  
~~hours on this chapter;~~ 3796

~~(b) Four hours of instruction concerning the Ohio consumer~~ 3797  
~~sales practices act, Chapter 1345. of the Revised Code, as it~~ 3798  
~~applies to registrants and licensees;~~ 3799

~~(c) Four hours of instruction concerning the loan~~ 3800  
~~application process;~~ 3801

~~(d) Two hours of instruction concerning the underwriting~~ 3802  
~~process;~~ 3803

~~(e) Two hours of instruction concerning the secondary~~ 3804

~~market for mortgage loans.~~ 3805

~~(f) Four hours of instruction concerning the loan closing process.~~ 3806  
3807

~~(g) Two hours of instruction covering basic mortgage financing concepts and terms.~~ 3808  
3809

~~(h) Two hours of instruction concerning the ethical responsibilities of a registrant and a licensee, including with respect to confidentiality, consumer counseling, and the duties and standards of care created in section 1322.081 of the Revised Code.~~ 3810  
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~~(3) For purposes of division (B) (1) (a) of this section, the review and approval of a course or program of study includes the review and approval of the provider of the course or program of study.~~ 3815  
3816  
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~~(4)~~ If an applicant held a valid mortgage loan originator license issued by this state at any time during the immediately preceding five-year period, the applicant shall not be required to complete any additional pre-licensing instruction. For this purpose, any time during which the individual is a registered mortgage loan originator shall not be taken into account. 3819  
3820  
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3823  
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~~(5)~~ (3) A person having successfully completed the pre-licensing education requirement reviewed and approved by the nationwide mortgage licensing system and registry for any state within the previous five years shall be granted credit toward completion of the pre-licensing education requirement of this state. 3825  
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(C) In addition to the information required under division (B) of this section, the application shall provide both of the following: 3831  
3832  
3833

(1) Evidence that the applicant passed a written test that 3834  
meets the requirements described in section ~~1322.051~~ 1322.27 of 3835  
the Revised Code; 3836

(2) Any further information that the superintendent 3837  
requires. 3838

(D) Upon the filing of the application and payment of the 3839  
application fee and any fee required by the nationwide mortgage 3840  
licensing system and registry, the superintendent of financial 3841  
institutions shall investigate the applicant ~~as set forth in~~ 3842  
~~division (D) of this section.~~ 3843

~~(1) (a) Notwithstanding division (K) of section 121.08 of~~ 3844  
~~the Revised Code, the superintendent shall obtain a criminal~~ 3845  
~~history records check and, as part of the records check, request~~ 3846  
~~that criminal record information from the federal bureau of~~ 3847  
~~investigation be obtained. To fulfill this requirement, the~~ 3848  
~~superintendent shall do either of the following:~~ 3849

~~(i) Request the superintendent of the bureau of criminal~~ 3850  
~~identification and investigation, or a vendor approved by the~~ 3851  
~~bureau, to conduct a criminal records check based on the~~ 3852  
~~applicant's fingerprints or, if the fingerprints are unreadable,~~ 3853  
~~based on the applicant's social security number, in accordance~~ 3854  
~~with section 109.572 of the Revised Code;~~ 3855

~~(ii) Authorize the nationwide mortgage licensing system~~ 3856  
~~and registry to request a criminal history background check.~~ 3857

~~(b) Any fee required under division (C) (3) of section~~ 3858  
~~109.572 of the Revised Code or by the nationwide mortgage~~ 3859  
~~licensing system and registry shall be paid by the applicant.~~ 3860

~~(2) The~~ As part of that investigation, the 3861  
superintendent shall conduct a civil records check. 3862

~~(3)~~ If, in order to issue a license to an applicant, 3863  
additional investigation by the superintendent outside this 3864  
state is necessary, the superintendent may require the applicant 3865  
to advance sufficient funds to pay the actual expenses of the 3866  
investigation, if it appears that these expenses will exceed ~~one~~ 3867  
five hundred fifty dollars. The superintendent shall provide the 3868  
applicant with an itemized statement of the actual expenses that 3869  
the applicant is required to pay. 3870

(E) ~~(1)~~ In connection with applying for a loan originator 3871  
license, the applicant shall furnish to the nationwide mortgage 3872  
licensing system and registry ~~the following~~ information 3873  
concerning the applicant's identity, including all of the 3874  
following: 3875

~~(a)~~ (1) The applicant's fingerprints for submission to the 3876  
federal bureau of investigation, and any other governmental 3877  
agency or entity authorized to receive such information, for 3878  
purposes of a state, national, and international criminal 3879  
history background check; 3880

~~(b)~~ (2) Personal history and experience in a form 3881  
prescribed by the nationwide mortgage licensing system and 3882  
registry, along with authorization for the superintendent and 3883  
the nationwide mortgage licensing system and registry to obtain 3884  
both of the following: 3885

~~(i)~~ (a) An independent credit report from a consumer 3886  
reporting agency; 3887

~~(ii)~~ (b) Information related to any administrative, civil, 3888  
or criminal findings by any governmental jurisdiction. 3889

~~(2) In order to effectuate the purposes of divisions (E)~~ 3890  
~~(1) (a) and (E) (1) (b) (ii) of this section, the superintendent may~~ 3891

~~use the conference of state bank supervisors, or a wholly owned subsidiary, as a channeling agent for requesting information from and distributing information to the United States department of justice or any other governmental agency. The superintendent may also use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to any source related to matters subject to those divisions of this section.~~

(F) The superintendent shall pay all funds advanced and application and renewal fees and penalties the superintendent receives pursuant to this section and section ~~1322.041~~ 1322.21 of the Revised Code to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

(G) If an application for a mortgage loan originator license does not contain all of the information required under this section, and if that information is not submitted to the superintendent or to the nationwide mortgage licensing system and registry within ninety days after the superintendent or the nationwide mortgage licensing system and registry requests the information in writing, including by electronic transmission or facsimile, the superintendent may consider the application withdrawn.

(H) (1) ~~The business of a loan originator shall principally be transacted at an office of the mortgage broker with whom the licensee is employed or associated, which office is registered in accordance with division (A) of section 1322.02 of the Revised Code. Each original loan originator license shall be deposited with and maintained by the mortgage broker at the mortgage broker's main office. A copy of the license shall be~~

~~maintained and displayed at the office where the loan originator~~ 3922  
~~principally transacts business.~~ 3923

~~(2) If a loan originator's employment or association is~~ 3924  
~~terminated for any reason, the mortgage broker shall return the~~ 3925  
~~original loan originator license to the superintendent within~~ 3926  
~~five business days after the termination. The licensee may~~ 3927  
~~request the transfer of the license to another mortgage broker~~ 3928  
~~by submitting a transfer application, along with a fifteen~~ 3929  
~~dollar fee and any fee required by the national mortgage~~ 3930  
~~licensing system and registry, to the superintendent or may~~ 3931  
~~request the superintendent in writing to hold the license in~~ 3932  
~~escrow. Any licensee whose license is held in escrow shall cease~~ 3933  
~~activity as a loan originator. A licensee whose license is held~~ 3934  
~~in escrow shall be required to apply for renewal annually and to~~ 3935  
~~comply with the annual continuing education requirement.~~ 3936

~~(3) A mortgage broker may employ or be associated with a~~ 3937  
~~loan originator on a temporary basis pending the transfer of the~~ 3938  
~~loan originator's license to the mortgage broker, if the~~ 3939  
~~mortgage broker receives written confirmation from the~~ 3940  
~~superintendent that the loan originator is licensed under~~ 3941  
~~sections 1322.01 to 1322.12 of the Revised Code.~~ 3942

~~(4) Notwithstanding divisions (H) (1) to (3) of this~~ 3943  
~~section, if a licensee is employed by or associated with a~~ 3944  
~~person or entity listed in division (G) (2) of section 1322.01 of~~ 3945  
~~the Revised Code, all of the following apply:~~ 3946

~~(a) The licensee shall maintain and display the original~~ 3947  
~~loan originator license at the office where the licensee~~ 3948  
~~principally transacts business;~~ 3949

~~(b) If the loan originator's employment or association is~~ 3950

terminated, the loan originator shall return the original loan- 3951  
originator license to the superintendent within five business- 3952  
days after termination. The licensee may request the transfer of 3953  
the license to a mortgage broker or another person or entity- 3954  
listed in division (G) (2) of section 1322.01 of the Revised Code- 3955  
by submitting a transfer application, along with a fifteen- 3956  
dollar fee and any fee required by the national mortgage- 3957  
licensing system and registry, to the superintendent or may- 3958  
request the superintendent in writing to hold the license in- 3959  
escrow. A licensee whose license is held in escrow shall cease- 3960  
activity as a loan originator. A licensee whose license is held- 3961  
in escrow shall be required to apply for renewal annually and to- 3962  
comply with the annual continuing education requirement. 3963

(c) The licensee may seek to be employed or associated- 3964  
with a mortgage broker or person or entity listed in division- 3965  
(G) (2) of section 1322.01 of the Revised Code if the mortgage- 3966  
broker or person or entity receives written confirmation from- 3967  
the superintendent that the loan originator is licensed under- 3968  
sections 1322.01 to 1322.12 of the Revised Code. 3969

(I) The superintendent may establish relationships or 3970  
enter into contracts with the nationwide mortgage licensing 3971  
system and registry, or any entities designated by it, to 3972  
collect and maintain records and process transaction fees or 3973  
other fees related to mortgage loan originator licenses or the 3974  
persons associated with a licensee. 3975

(2) For purposes of this section and to reduce the points 3976  
of contact that the federal bureau of investigation may have to 3977  
maintain, the division of financial institutions may use the 3978  
nationwide mortgage licensing system and registry as a 3979  
channeling agent for requesting information from and 3980



distributing information to the United States department of 3981  
justice or other governmental agencies. 3982

(3) For purposes of this section and to reduce the points 3983  
of contact that the division may have to maintain, the division 3984  
may use the nationwide mortgage licensing system and registry as 3985  
a channeling agent for requesting information from and 3986  
distributing information to any source as determined by the 3987  
division. 3988

~~(J)~~ (I) A mortgage loan originator license, or the 3989  
authority granted under that license, is not assignable ~~and~~ 3990  
~~cannot be franchised by contract or any other means or~~ 3991  
transferable. 3992

**~~Sec. 1322.041~~ 1322.21.** (A) Upon the conclusion of the 3993  
investigation required under division ~~(D)~~ (C) of section 3994  
~~1322.031~~ 1322.20 of the Revised Code, the superintendent of 3995  
financial institutions shall issue a mortgage loan originator 3996  
license to the applicant if the superintendent finds that the 3997  
following conditions are met: 3998

(1) The application is accompanied by the application fee 3999  
and any fee required by the nationwide mortgage licensing system 4000  
and registry. 4001

(a) If a check or other draft instrument is returned to 4002  
the superintendent for insufficient funds, the superintendent 4003  
shall notify the applicant by certified mail, return receipt 4004  
requested, that the application will be withdrawn unless the 4005  
applicant, within thirty days after receipt of the notice, 4006  
submits the application fee and a one-hundred-dollar penalty to 4007  
the superintendent. If the applicant does not submit the 4008  
application fee and penalty within that time period, or if any 4009

check or other draft instrument used to pay the fee or penalty 4010  
is returned to the superintendent for insufficient funds, the 4011  
application shall be withdrawn. 4012

(b) If a check or other draft instrument is returned to 4013  
the superintendent for insufficient funds after the license has 4014  
been issued, the superintendent shall notify the licensee by 4015  
certified mail, return receipt requested, that the license 4016  
issued in reliance on the check or other draft instrument will 4017  
be canceled unless the licensee, within thirty days after 4018  
receipt of the notice, submits the application fee and a one- 4019  
hundred-dollar penalty to the superintendent. If the licensee 4020  
does not submit the application fee and penalty within that time 4021  
period, or if any check or other draft instrument used to pay 4022  
the fee or penalty is returned to the superintendent for 4023  
insufficient funds, the license shall be canceled immediately 4024  
without a hearing, and the licensee shall cease activity as a 4025  
loan originator. 4026

(2) ~~The applicant complies with sections 1322.01 to~~ 4027  
~~1322.12 of the Revised Code and the rules adopted thereunder~~ has 4028  
not made a material misstatement of fact or material omission of 4029  
fact in the application. 4030

(3) The applicant has not been convicted of or pleaded 4031  
guilty or nolo contendere to any of the following in a domestic, 4032  
foreign, or military court: 4033

(a) During the seven-year period immediately preceding the 4034  
date of application for the license, a misdemeanor involving 4035  
theft or any felony; 4036

(b) At any time prior to the date the application for the 4037  
license is approved, a felony involving an act of fraud, 4038

dishonesty, a breach of trust, theft, or money laundering. 4039

~~(4) Based on the totality of the circumstances and~~ 4040  
~~information submitted in the application, the applicant has~~ 4041  
~~proven to the superintendent, by a preponderance of the~~ 4042  
~~evidence, that the applicant is of good business repute, appears~~ 4043  
~~qualified to act as a loan originator, has fully complied with~~ 4044  
~~sections 1322.01 to 1322.12 of the Revised Code and the rules~~ 4045  
~~adopted thereunder, and meets all of the conditions for issuing~~ 4046  
~~a loan originator license.~~ 4047

~~(5) The applicant successfully completed the written test~~ 4048  
~~required by section 1322.051 of the Revised Code and completed~~ 4049  
~~the prelicensing instruction set forth in division (B) of~~ 4050  
~~section 1322.031-1322.20 of the Revised Code.~~ 4051

~~(6)~~ (5) The applicant's financial responsibility, 4052  
character, and general fitness command the confidence of the 4053  
public and warrant the belief that the business will be operated 4054  
honestly and fairly in compliance with the purposes of ~~sections~~ 4055  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter. The 4056  
superintendent shall not use a credit score or bankruptcy as the 4057  
sole basis for a license denial. 4058

~~(7)~~ (6) The applicant is in compliance with the surety 4059  
bond requirements of section ~~1322.05-1322.32~~ of the Revised 4060  
Code. 4061

~~(8)~~ (7) The applicant has not had a mortgage loan 4062  
originator license, or comparable authority, revoked in any 4063  
governmental jurisdiction. 4064

(B) The license issued under division (A) of this section 4065  
may be renewed annually on or before the thirty-first day of 4066  
December if the superintendent finds that all of the following 4067

conditions are met:

(1) The renewal application is accompanied by a nonrefundable renewal fee of one hundred fifty dollars and any fee required by the nationwide mortgage licensing system and registry. If a check or other draft instrument is returned to the superintendent for insufficient funds, the superintendent shall notify the licensee by certified mail, return receipt requested, that the license renewed in reliance on the check or other draft instrument will be canceled unless the licensee, within thirty days after receipt of the notice, submits the renewal fee and a one-hundred-dollar penalty to the superintendent. If the licensee does not submit the renewal fee and penalty within that time period, or if any check or other draft instrument used to pay the fee or penalty is returned to the superintendent for insufficient funds, the license shall be canceled immediately without a hearing, and the licensee shall cease activity as a loan originator.

(2) The applicant has completed at least eight hours of continuing education as required under section ~~1322.052~~ 1322.28 of the Revised Code.

(3) The applicant meets the conditions set forth in divisions (A) (2) to ~~(8)~~ (7) of this section; ~~provided, however,~~ ~~that an applicant who was issued a loan officer license prior to January 1, 2010, and has continuously maintained that license shall not be required to meet the condition described in division (B) (1) (b) of section 1322.031 of the Revised Code.~~

(4) The applicant's license is not subject to an order of suspension or an unpaid and past due fine imposed by the superintendent.

(C) (1) Subject to division (C) (2) of this section, if a  
license renewal application ~~or renewal fee~~, including any fee  
required by the nationwide mortgage licensing system and  
registry, is received by the superintendent after the thirty-  
first day of December, the license shall not be considered  
renewed, and the applicant shall cease activity as a mortgage  
loan originator.

(2) Division (C) (1) of this section shall not apply if the  
applicant, ~~no not later than the thirty first day of January~~  
forty-five days after the renewal deadline, submits the renewal  
application and any other required fees and a one-hundred-dollar  
penalty to the superintendent.

(D) ~~Loan-Mortgage~~ originator licenses ~~issued on or after~~  
~~May 1, 2010~~, annually expire on the thirty-first day of  
December.

(E) The pardon or expungement of a conviction shall not be  
considered a conviction for purposes of this section. When  
determining the eligibility of an applicant, the superintendent  
may consider the underlying crime, facts, or circumstances  
connected with a pardoned or expunged conviction.

**Sec. ~~1322.042~~ 1322.24.** (A) As used in this section:

(1) "Out-of-state mortgage loan originator" means an  
individual to whom both of the following apply:

(a) The individual holds a valid mortgage loan originator  
license, or comparable authority, issued pursuant to the law of  
any other state of the United States.

(b) The individual is registered, fingerprinted, and  
maintains a unique identifier through the nationwide mortgage  
licensing system and registry.

(2) "Sponsor" means a registrant ~~or entity described in~~ 4126  
~~division (G) (2) of section 1322.01 of the Revised Code that~~ 4127  
employs or is associated with an applicant for a temporary 4128  
mortgage loan originator license and, during the term of the 4129  
applicant's temporary license, covers the applicant under its 4130  
corporate surety bond or requires the applicant to obtain and 4131  
maintain a corporate surety bond. 4132

(B) The superintendent of financial institutions may, in 4133  
accordance with this section, issue to an out-of-state mortgage 4134  
loan originator a temporary mortgage loan originator license 4135  
that enables the licensee to engage in the business of a 4136  
mortgage loan originator while the individual completes the 4137  
requirements necessary to meet the conditions set forth in 4138  
section ~~1322.041~~-1322.21 of the Revised Code for a mortgage loan 4139  
originator license. A temporary mortgage loan originator license 4140  
shall be valid for a term of not more than one hundred twenty 4141  
days from the date of issuance. A temporary mortgage loan 4142  
originator license may not be renewed. 4143

(C) An application for a temporary mortgage loan 4144  
originator license shall be in writing, under oath, and in a 4145  
form that meets the requirements of the nationwide mortgage 4146  
licensing system and registry. The application shall be 4147  
accompanied by a nonrefundable application fee, the amount of 4148  
which shall be determined by the superintendent in rule, and a 4149  
certification that, as of the date of application, the applicant 4150  
meets the following conditions: 4151

(1) The applicant has at least two years of experience in 4152  
the field of residential mortgage lending in the five years 4153  
immediately preceding the date of application for the temporary 4154  
mortgage loan originator license. 4155

(2) The applicant has not previously applied for a 4156  
temporary mortgage loan originator license in this state. 4157

(3) The applicant has not had a mortgage loan originator 4158  
license, or comparable authority, revoked in any governmental 4159  
jurisdiction. For purposes of division (C)(3) of this section, a 4160  
subsequent formal vacation of such a revocation shall not be 4161  
considered a revocation. 4162

(4) The applicant has not been convicted of, or pleaded 4163  
guilty or nolo contendere to, any of the following in a 4164  
domestic, foreign, or military court: 4165

(a) During the seven-year period immediately preceding the 4166  
date of application, a misdemeanor involving theft or any 4167  
felony; 4168

(b) At any time prior to the date of application, a felony 4169  
involving an act of fraud, dishonesty, a breach of trust, theft, 4170  
or money laundering. 4171

For purposes of division (C)(4) of this section, any 4172  
conviction for which the applicant has received a pardon shall 4173  
not be considered a conviction. 4174

(D) The superintendent shall issue a temporary mortgage 4175  
loan originator license to the applicant if the superintendent 4176  
finds that all of the following conditions are met: 4177

(1) The application is accompanied by the application fee 4178  
and the certification described in division (C) of this section. 4179

(2) The applicant is registered, fingerprinted, and has a 4180  
valid unique identifier through the nationwide mortgage 4181  
licensing system and registry as of the date of application. 4182

(3) The applicant has authorized the nationwide mortgage 4183

licensing system and registry to obtain a credit report for 4184  
submission to the superintendent. 4185

(4) The applicant has a sponsor that certifies employment 4186  
of, or association with, the applicant and has signed the 4187  
application. 4188

(E) The sponsor of a temporary licensee shall have an 4189  
affirmative duty to supervise the conduct of ~~each~~ the temporary 4190  
~~loan originator licensee~~ in the same manner as is required of 4191  
its other licensees. If the temporary licensee's employment or 4192  
association with the sponsor is terminated, the sponsor shall 4193  
notify the division of financial institutions of the termination 4194  
through the nationwide mortgage licensing system and registry. 4195  
Upon the division's receipt of the notice, the sponsor shall no 4196  
longer be held responsible for the conduct of the temporary 4197  
licensee. 4198

~~(F) The superintendent may, in accordance with Chapter~~ 4199  
~~119. of the Revised Code, adopt rules necessary for the~~ 4200  
~~implementation and operation of this section.~~ 4201

**~~Sec. 1322.043~~ 1322.25.** If the "Secure and Fair Enforcement 4202  
for Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 4203  
5101, as amended, is modified after the effective date of this 4204  
~~section amendment~~, or any regulation, statement, or position is 4205  
adopted under that act, to permit states to issue a temporary 4206  
mortgage loan originator license to a registered loan 4207  
originator, the superintendent shall, in accordance with section 4208  
111.15 of the Revised Code, adopt rules the superintendent 4209  
considers necessary and appropriate to issue a temporary license 4210  
to a registered loan originator. 4211

**~~Sec. 1322.051~~ 1322.27.** Each ~~person designated under~~ 4212



~~division (A) (3) of section 1322.03 of the Revised Code to act as~~ 4213  
~~operations manager for a mortgage broker business and each~~ 4214  
applicant for a mortgage loan originator license shall submit to 4215  
a written test that is developed and approved by the nationwide 4216  
mortgage licensing system and registry and administered by ~~a~~ an 4217  
approved test provider ~~approved by the nationwide mortgage~~ 4218  
~~licensing system and registry based on reasonable standards.~~ 4219

(A) The test shall adequately measure the ~~designee's or~~ 4220  
applicant's knowledge and comprehension in appropriate subject 4221  
areas, including ethics, federal and state law related to 4222  
mortgage origination, fraud, consumer protection, and the 4223  
nontraditional mortgage marketplace, and fair lending issues. 4224

(B) An individual shall not be considered to have passed 4225  
the written test unless the individual answers at least seventy- 4226  
five per cent of the questions correctly. 4227

(C) An individual may retake the test three consecutive 4228  
times provided the period between taking the tests is at least 4229  
thirty days. If an individual fails three consecutive tests, the 4230  
individual shall be required to wait at least six months before 4231  
taking the test again. 4232

(D) If a mortgage loan originator fails to maintain a 4233  
valid mortgage loan originator license for a period of five 4234  
years or longer, the individual shall be required to retake the 4235  
test. 4236

For this purpose, any time during which the individual is 4237  
a registered mortgage loan originator shall not be taken into 4238  
account. 4239

**Sec. ~~1322.052~~ 1322.28.** (A) Each licensee ~~and each person~~ 4240  
~~designated under division (A) (3) of section 1322.03 of the~~ 4241

~~Revised Code to act as operations manager for a mortgage broker-~~ 4242  
~~business~~ shall complete at least eight hours of continuing 4243  
education every calendar year. To fulfill this requirement, the 4244  
eight hours of continuing education must be offered in a course 4245  
or program of study reviewed and approved by the ~~nationwide~~ 4246  
~~mortgage licensing system and registry~~ superintendent of 4247  
financial institutions. The course or program of study shall 4248  
include all of the following: 4249

(1) Three hours of applicable federal law and regulations; 4250

(2) Two hours of ethics, which shall include instruction 4251  
on fraud, consumer protection, and fair lending issues; 4252

(3) Two hours of training related to lending standards for 4253  
non-qualified mortgages, as defined in 12 C.F.R. 1026.43, or the 4254  
nontraditional mortgage product marketplace. 4255

(B) Continuing education courses shall be reviewed and 4256  
approved by the nationwide mortgage licensing system and 4257  
registry based upon reasonable standards. 4258

(C) The following conditions shall apply to the continuing 4259  
education required by this section: 4260

(1) An individual cannot take the same approved course in 4261  
the same or successive years to meet the annual requirement for 4262  
continuing education. 4263

(2) An individual can only receive credit for a continuing 4264  
education course in the year in which the course is taken, 4265  
unless the individual is making up a deficiency in continuing 4266  
education as permitted by rule or order of the superintendent ~~of~~ 4267  
~~financial institutions~~. 4268

(3) A licensee who subsequently becomes unlicensed must 4269

complete the continuing education requirement for the last year 4270  
in which the license was held prior to the issuance of a new or 4271  
renewed license. 4272

(4) A licensee who is approved as an instructor of a 4273  
continuing education course receives credit for the licensee's 4274  
own annual continuing education requirement at the rate of two 4275  
credit hours for every one hour taught. 4276

(5) If an individual successfully completed a continuing 4277  
education course reviewed and approved by the nationwide 4278  
mortgage licensing system and registry as required by another 4279  
state, the individual can receive credit toward completion of 4280  
the continuing education requirement of this state. 4281

~~(D) Notwithstanding division (A) of this section, until 4282  
the nationwide mortgage licensing system and registry implements 4283  
a review and approval process, each licensee or person 4284  
designated under division (A) (3) of section 1322.03 of the 4285  
Revised Code shall provide evidence that the licensee or person 4286  
has successfully completed at least eight hours of continuing 4287  
education in a course or program of study approved by the 4288  
superintendent of financial institutions. 4289~~

**Sec. 1322.29.** (A) A registrant or entity holding a valid 4290  
letter of exemption under division (B) (1) of section 1322.05 of 4291  
the Revised Code shall supervise all business of a mortgage loan 4292  
originator conducted at the principal office, any branch office, 4293  
or other location used by the individual mortgage loan 4294  
originator. 4295

(B) If a mortgage loan originator's employment or 4296  
association is terminated for any reason, the licensee may 4297  
request the transfer of the license to another mortgage lender 4298

or mortgage broker by submitting a transfer application, along 4299  
with a fifteen-dollar fee and any fee required by the national 4300  
mortgage licensing system and registry, to the superintendent of 4301  
financial institutions or may request the superintendent in 4302  
writing to hold the license in escrow. Any licensee whose 4303  
license is held in escrow shall cease activity as a mortgage 4304  
loan originator. A licensee whose license is held in escrow 4305  
shall be required to apply for renewal annually and to comply 4306  
with the annual continuing education requirement. 4307

(C) A registrant may employ or be associated with a 4308  
mortgage loan originator on a temporary basis pending the 4309  
transfer of the mortgage loan originator's license to the 4310  
registrant, if the registrant receives written confirmation from 4311  
the superintendent that the mortgage loan originator is licensed 4312  
under this chapter. 4313

(D) Notwithstanding divisions (A) to (C) of this section, 4314  
if a licensee is employed by or associated with a person or 4315  
entity holding a valid letter of exemption under division (B) (1) 4316  
of section 1322.05 of the Revised Code, all of the following 4317  
apply: 4318

(1) The licensee shall maintain and display a copy of the 4319  
mortgage loan originator license at the office where the 4320  
licensee principally transacts business. 4321

(2) If the mortgage loan originator's employment or 4322  
association is terminated, the mortgage loan originator shall 4323  
notify the superintendent within five business days after 4324  
termination. The licensee may request the transfer of the 4325  
license to another person or entity holding a valid letter of 4326  
exemption under division (B) (1) of section 1322.05 of the 4327  
Revised Code by submitting a transfer application, along with a 4328

fifteen-dollar fee and any fee required by the national mortgage 4329  
licensing system and registry, to the superintendent or may 4330  
request the superintendent in writing to hold the license in 4331  
escrow. A licensee whose license is held in escrow shall cease 4332  
activity as a mortgage loan originator. A licensee whose license 4333  
is held in escrow shall be required to apply for renewal 4334  
annually and to comply with the annual continuing education 4335  
requirement. 4336

(E) A licensee may seek to be employed by or associated 4337  
with a registrant or a person or entity holding a valid letter 4338  
of exemption under division (B)(1) of section 1322.05 of the 4339  
Revised Code, if the mortgage lender, mortgage broker, or person 4340  
or entity receives written confirmation from the superintendent 4341  
that the mortgage loan originator is licensed under this 4342  
chapter. 4343

**Sec. ~~1322.05~~ 1322.32.** (A) (1) No registrant shall conduct 4344  
business in this state, unless the registrant has obtained and 4345  
maintains in effect at all times a corporate surety bond issued 4346  
by a bonding company or insurance company authorized to do 4347  
business in this state. The bond shall be in favor of the 4348  
superintendent of financial institutions and in the penal sum of 4349  
one-half per cent of the aggregate loan amount of residential 4350  
mortgage loans originated in the immediately preceding calendar 4351  
year, but not exceeding one hundred fifty thousand dollars. 4352  
Under no circumstances, however, shall the bond be less than 4353  
fifty thousand dollars and an additional penal sum of ten 4354  
thousand dollars for each location, in excess of one, at which 4355  
the registrant conducts business. The term of the bond shall 4356  
coincide with the term of registration. A copy of the bond shall 4357  
be filed with the superintendent. The bond shall be for the 4358  
exclusive benefit of any buyer injured by a violation by an 4359

employee of the registrant, mortgage loan originator employed by 4360  
or associated with the registrant, or registrant of any 4361  
provision of ~~sections 1322.01 to 1322.12 of the Revised Code~~ 4362  
this chapter or any rule adopted thereunder. The aggregate 4363  
liability of the corporate surety for any and all breaches of 4364  
the conditions of the bond shall not exceed the penal sum of the 4365  
bond. 4366

(2) (a) No licensee who is employed by or associated with a 4367  
person or entity ~~listed in holding a valid letter of exemption~~ 4368  
under division (C) (2) (B) (1) of section ~~1322.01-1322.05~~ of the 4369  
Revised Code shall conduct business in this state, unless either 4370  
the licensee or the person or entity on the licensee's behalf 4371  
has obtained and maintains in effect at all times a corporate 4372  
surety bond issued by a bonding company or insurance company 4373  
authorized to do business in this state. The bond shall be in 4374  
favor of the superintendent of financial institutions and in the 4375  
penal sum of one-half per cent of the aggregate loan amount of 4376  
residential mortgage loans originated in the immediately 4377  
preceding calendar year, but not exceeding one hundred thousand 4378  
dollars. Under no circumstances, however, shall the bond be less 4379  
than fifty thousand dollars. The term of the bond shall coincide 4380  
with the term of licensure. A copy of the bond shall be filed 4381  
with the superintendent. The bond shall be for the exclusive 4382  
benefit of any buyer injured by a violation by the licensee of 4383  
any provision of ~~sections 1322.01 to 1322.12 of the Revised Code~~ 4384  
this chapter or any rule adopted thereunder. The aggregate 4385  
liability of the corporate surety for any and all breaches of 4386  
the conditions of the bond shall not exceed the penal sum of the 4387  
bond. 4388

(b) Licensees covered by a corporate surety bond obtained 4389  
by a registrant, or by a person or entity ~~listed in holding a~~ 4390

valid letter of exemption under division~~(G) (2)~~ (B) (1) of 4391  
section ~~1322.01-1322.05~~ of the Revised Code, they are employed 4392  
by or associated with shall not be required to obtain an 4393  
individual bond. 4394

(B) (1) (a) The registrant shall give notice to the 4395  
superintendent by certified mail of any action that is brought 4396  
by a buyer against the registrant, mortgage loan originator, or 4397  
employee alleging injury by a violation of any provision of 4398  
~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter or 4399  
any rule adopted thereunder, and of any judgment that is entered 4400  
against the registrant, mortgage loan originator, or employee by 4401  
a buyer injured by a violation of any provision of ~~sections~~ 4402  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter or any rule 4403  
adopted thereunder. The notice shall provide details sufficient 4404  
to identify the action or judgment, and shall be filed with the 4405  
superintendent within ten days after the commencement of the 4406  
action or notice to the registrant of entry of a judgment. 4407

(b) The licensee shall give notice to the superintendent 4408  
by certified mail of any action that is brought by a buyer 4409  
against the licensee alleging injury by a violation of any 4410  
provision of ~~sections 1322.01 to 1322.12 of the Revised Code~~ 4411  
this chapter or any rule adopted thereunder, and of any judgment 4412  
that is entered against the licensee by a buyer injured by a 4413  
violation of any provision of ~~sections 1322.01 to 1322.12 of the~~ 4414  
~~Revised Code~~ this chapter or any rule adopted thereunder. The 4415  
notice shall provide details sufficient to identify the action 4416  
or judgment, and shall be filed with the superintendent within 4417  
ten days after the commencement of the action or notice to the 4418  
licensee of entry of a judgment. A person or entity ~~listed in~~ 4419  
holding a valid letter of exemption under division~~(G) (2)~~ (B) (1) 4420  
of section ~~1322.01-1322.05~~ of the Revised Code that secures 4421

bonding for the licensees employed by or associated with the 4422  
person or entity shall report such actions or judgments in the 4423  
same manner as is required of registrants. 4424

(2) A corporate surety, within ten days after it pays any 4425  
claim or judgment, shall give notice to the superintendent by 4426  
certified mail of the payment, with details sufficient to 4427  
identify the person and the claim or judgment paid. 4428

(C) Whenever the penal sum of the corporate surety bond is 4429  
reduced by one or more recoveries or payments, the registrant or 4430  
licensee shall furnish a new or additional bond under this 4431  
section, so that the total or aggregate penal sum of the bond or 4432  
bonds equals the sum required by this section, or shall furnish 4433  
an endorsement executed by the corporate surety reinstating the 4434  
bond to the required penal sum of it. 4435

(D) The liability of the corporate surety on the bond to 4436  
the superintendent and to any buyer injured by a violation of 4437  
any provision of ~~sections 1322.01 to 1322.12 of the Revised Code~~ 4438  
this chapter or any rule adopted thereunder shall not be 4439  
affected in any way by any misrepresentation, breach of 4440  
warranty, or failure to pay the premium, by any act or omission 4441  
upon the part of the registrant or licensee, by the insolvency 4442  
or bankruptcy of the registrant or licensee, or by the 4443  
insolvency of the registrant's or licensee's estate. The 4444  
liability for any act or omission that occurs during the term of 4445  
the corporate surety bond shall be maintained and in effect for 4446  
at least two years after the date on which the corporate surety 4447  
bond is terminated or canceled. 4448

(E) The corporate surety bond shall not be canceled by the 4449  
registrant, the licensee, or the corporate surety except upon 4450  
notice to the superintendent by certified mail, return receipt 4451



requested. The cancellation shall not be effective prior to 4452  
thirty days after the superintendent receives the notice. 4453

(F) No registrant or licensee employed by or associated 4454  
with a person or entity ~~listed in~~ holding a valid letter of 4455  
exemption under division ~~(G) (2)~~ (B) (1) of section ~~1322.01~~ 4456  
1322.05 of the Revised Code shall fail to comply with this 4457  
section. Any registrant or licensee that fails to comply with 4458  
this section shall cease all mortgage lender, mortgage broker, 4459  
or mortgage loan originator activity in this state until the 4460  
registrant or licensee complies with this section. 4461

**~~Sec. 1322.06~~ 1322.34.** (A) As often as the superintendent 4462  
of financial institutions considers it necessary, the 4463  
superintendent may examine the registrant's or licensee's 4464  
records, including all records created or processed by a 4465  
licensee, pertaining to business transacted pursuant to ~~sections~~ 4466  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter. 4467

(B) A registrant or licensee shall maintain records 4468  
pertaining to business transacted pursuant to ~~sections 1322.01~~ 4469  
~~to 1322.12 of the Revised Code, including copies of all mortgage~~ 4470  
~~loan origination disclosure statements prepared in accordance~~ 4471  
~~with section 1322.062 of the Revised Code, this chapter~~ for four 4472  
years. For purposes of this division, "registrant or licensee" 4473  
includes any person whose certificate of registration or license 4474  
is cancelled, surrendered, or revoked or who otherwise ceases to 4475  
engage in business as a mortgage lender, mortgage broker, or 4476  
mortgage loan originator. 4477

No registrant or licensee shall fail to comply with this 4478  
division. 4479

(C) Each registrant ~~and~~ , licensee, and entity holding a 4480

valid letter of exemption under division (B)(1) of section 4481  
1322.05 of the Revised Code shall submit to the nationwide 4482  
mortgage licensing system and registry call reports or other 4483  
reports of condition, which reports shall be in such form and 4484  
shall contain such information as the nationwide mortgage 4485  
licensing system and registry may require. Each registrant and 4486  
entity holding a valid letter of exemption under division (B)(1) 4487  
of section 1322.05 of the Revised Code shall ensure that all 4488  
residential mortgage loans that are consummated as a result of a 4489  
mortgage loan originator's loan origination activities are 4490  
included in the report of condition submitted to the nationwide 4491  
mortgage licensing system and registry. 4492

~~(D)(1) As required by the superintendent, each registrant~~ 4493  
~~shall file with the division of financial institutions an annual~~ 4494  
~~report under oath or affirmation, on forms supplied by the~~ 4495  
~~division, concerning the business and operations of the~~ 4496  
~~registrant for the preceding calendar year. If a registrant~~ 4497  
~~operates two or more registered offices, or two or more~~ 4498  
~~affiliated registrants operate registered offices, a composite~~ 4499  
~~report of the group of registered offices may be filed in lieu~~ 4500  
~~of individual reports. For purposes of compliance with this~~ 4501  
~~requirement, the superintendent may accept call reports or other~~ 4502  
~~reports of condition submitted to the nationwide mortgage~~ 4503  
~~licensing system and registry in lieu of the annual report.~~ 4504

~~(2) The superintendent shall publish annually an analysis~~ 4505  
~~of the information required under division (D)(1) of this~~ 4506  
~~section, but the individual reports, whether filed with the~~ 4507  
~~superintendent or the nationwide mortgage licensing system and~~ 4508  
~~registry, shall not be public records and shall not be open to~~ 4509  
~~public inspection or otherwise be subject to section 149.43 of~~ 4510  
~~the Revised Code. Any document or record that is required to be~~ 4511

signed and that is filed in this state as an electronic record 4512  
through the nationwide mortgage licensing system and registry, 4513  
and any other electronic record filed through the nationwide 4514  
mortgage licensing system and registry, shall be considered a 4515  
valid original document upon reproduction to paper form by the 4516  
division of financial institutions. 4517

**Sec. ~~1322.072~~ 1322.35.** No person, in connection with any 4518  
examination or investigation conducted by the superintendent of 4519  
financial institutions under ~~sections 1322.01 to 1322.12 of the~~ 4520  
~~Revised Code~~ this chapter, shall knowingly do any of the 4521  
following: 4522

(A) Circumvent, interfere with, obstruct, or fail to 4523  
cooperate, including making a false or misleading statement, 4524  
failing to produce records, or intimidating or suborning any 4525  
witness; 4526

(B) Tamper with, alter, or manufacture any evidence; 4527

(C) Withhold, abstract, remove, mutilate, destroy, or 4528  
secrete any books, records, computer records, or other 4529  
information. 4530

**Sec. ~~1322.061~~ 1322.36.** (A) (1) The following information is 4531  
confidential: 4532

(a) Examination information, and any information leading 4533  
to or arising from an examination; 4534

(b) Investigation information, and any information arising 4535  
from or leading to an investigation. 4536

(2) The information described in division (A) (1) of this 4537  
section shall remain confidential for all purposes except when 4538  
it is necessary for the superintendent of financial institutions 4539

to take official action regarding the affairs of a registrant or 4540  
licensee, or in connection with criminal or civil proceedings to 4541  
be initiated by a prosecuting attorney or the attorney general. 4542  
This information may also be introduced into evidence or 4543  
disclosed when and in the manner authorized by section 1181.25 4544  
of the Revised Code. 4545

(B) All application information, except social security 4546  
numbers, employer identification numbers, financial account 4547  
numbers, the identity of the institution where financial 4548  
accounts are maintained, personal financial information, 4549  
fingerprint cards and the information contained on such cards, 4550  
and criminal background information, is a public record as 4551  
defined in section 149.43 of the Revised Code. 4552

(C) This section does not prevent the division of 4553  
financial institutions from releasing to or exchanging with 4554  
other financial institution regulatory authorities information 4555  
relating to registrants and licensees. For this purpose, a 4556  
"financial institution regulatory authority" includes a 4557  
regulator of a business activity in which a registrant or 4558  
licensee is engaged, or has applied to engage in, to the extent 4559  
that the regulator has jurisdiction over a registrant or 4560  
licensee engaged in that business activity. A registrant or 4561  
licensee is engaged in a business activity, and a regulator of 4562  
that business activity has jurisdiction over the registrant or 4563  
licensee, whether the registrant or licensee conducts the 4564  
activity directly or a subsidiary or affiliate of the registrant 4565  
or licensee conducts the activity. 4566

(D) The superintendent shall, on a regular basis, report 4567  
violations of ~~sections 1322.01 to 1322.12 of the Revised Code~~ 4568  
any provision of this chapter, as well as enforcement actions 4569

and other relevant information, to the nationwide mortgage 4570  
licensing system and registry. 4571

(E) (1) Any confidentiality or privilege arising under 4572  
federal or state law with respect to any information or material 4573  
provided to the nationwide mortgage licensing system and 4574  
registry shall continue to apply to the information or material 4575  
after the information or material is provided to the nationwide 4576  
mortgage licensing system and registry. The information and 4577  
material so provided may be released to any state or federal 4578  
regulatory official with mortgage industry oversight authority 4579  
without the loss of confidentiality or privilege protections 4580  
provided by federal law or the law of any state. Information or 4581  
material described in division (E) (1) of this section to which 4582  
confidentiality or privilege applies shall not be subject to any 4583  
of the following: 4584

(a) Disclosure under any federal or state law governing 4585  
disclosure to the public of information held by an officer or an 4586  
agency of the federal government or of the respective state; 4587

(b) Subpoena or discovery, or admission into evidence, in 4588  
any private civil action or administrative process, unless the 4589  
person to whom such information or material pertains waives, in 4590  
whole or in part and at the discretion of the person, any 4591  
privilege held by the nationwide mortgage licensing system and 4592  
registry with respect to that information or material. 4593

(2) The superintendent, in order to promote more effective 4594  
regulation and reduce regulatory burden through supervisory 4595  
information sharing, may enter into sharing arrangements with 4596  
other governmental agencies, the conference of state bank 4597  
supervisors, and the American association of residential 4598  
mortgage regulators. 4599

(3) Any state law, including section 149.43 of the Revised Code, relating to the disclosure of confidential supervisory information or any information or material described in division (A) (1) or (E) (1) of this section that is inconsistent with this section shall be superseded by the requirements of this section.

(F) This section shall not apply with respect to information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, mortgage loan originators that is included in the nationwide mortgage licensing system and registry for access by the public.

(G) This section does not prevent the division from releasing information relating to registrants and licensees to the attorney general, to the superintendent of real estate and professional licensing for purposes relating to the administration of Chapters 4735. and 4763. of the Revised Code, to the superintendent of insurance for purposes relating to the administration of Chapter 3953. of the Revised Code, to the commissioner of securities for purposes relating to the administration of Chapter 1707. of the Revised Code, or to local law enforcement agencies and local prosecutors. Information the division releases pursuant to this section remains confidential.

(H) The superintendent of financial institutions shall, by rule adopted in accordance with Chapter 119. of the Revised Code, establish a process by which mortgage loan originators may challenge any information provided to the nationwide mortgage licensing system and registry by the superintendent.

**~~Sec. 1322.07~~ 1322.40.** No registrant, licensee, or person required to be registered or licensed under ~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter, or individual

disclosed in an application as required by ~~division (A) (2) of~~ 4630  
~~section 1322.03 of the Revised Code~~ this chapter, shall do any 4631  
of the following: 4632

(A) Obtain a ~~mortgage broker~~ certificate of registration 4633  
or mortgage loan originator license through any false or 4634  
fraudulent representation of a material fact or any omission of 4635  
a material fact required by state law, or make any substantial 4636  
misrepresentation in any registration or license application; 4637

(B) Make false or misleading statements of a material 4638  
fact, omissions of statements required by state or federal law, 4639  
or false promises regarding a material fact, through advertising 4640  
or other means, or engage in a continued course of 4641  
misrepresentations; 4642

(C) Engage in conduct that constitutes improper, 4643  
fraudulent, or dishonest dealings; 4644

(D) Fail to notify the division of financial institutions 4645  
within thirty days after any of the following: 4646

(1) Being convicted of or pleading guilty or nolo 4647  
contendere to a felony in a domestic, foreign, or military 4648  
court; 4649

(2) Being convicted of or pleading guilty or nolo 4650  
contendere to any criminal offense involving theft, receiving 4651  
stolen property, embezzlement, forgery, fraud, passing bad 4652  
checks, money laundering, breach of trust, dishonesty, or drug 4653  
trafficking, or any criminal offense involving money or 4654  
securities, in a domestic, foreign, or military court; 4655

(3) Having a mortgage lender or mortgage broker 4656  
certificate of registration or mortgage loan originator license, 4657  
or any comparable authority, revoked in any governmental 4658

jurisdiction. 4659

(E) Knowingly make, propose, or solicit fraudulent, false, 4660  
or misleading statements on any mortgage loan document or on any 4661  
document related to a mortgage loan, including a mortgage 4662  
application, real estate appraisal, or real estate settlement or 4663  
closing document. For purposes of this division, "fraudulent, 4664  
false, or misleading statements" does not include mathematical 4665  
errors, inadvertent transposition of numbers, typographical 4666  
errors, or any other bona fide error. 4667

(F) Knowingly instruct, solicit, propose, or otherwise 4668  
cause a buyer to sign in blank a mortgage related document; 4669

(G) Knowingly compensate, instruct, induce, coerce, or 4670  
intimidate, or attempt to compensate, instruct, induce, coerce, 4671  
or intimidate, a person licensed or certified under Chapter 4672  
4763. of the Revised Code for the purpose of corrupting or 4673  
improperly influencing the independent judgment of the person 4674  
with respect to the value of the dwelling offered as security 4675  
for repayment of a mortgage loan; 4676

(H) Promise to refinance a loan in the future at a lower 4677  
interest rate or with more favorable terms, unless the promise 4678  
is set forth in writing and is initialed by the buyer; 4679

(I) Engage in any unfair, deceptive, or unconscionable act 4680  
or practice prohibited under sections 1345.01 to 1345.13 of the 4681  
Revised Code. 4682

**Sec. ~~1322.074~~ 1322.41**. (A) Except as otherwise provided in 4683  
division (B) of this section, no registrant, or any member of 4684  
the immediate family of an owner of a registrant, shall own or 4685  
control a majority interest in an appraisal company. 4686

(B) Division (A) of this section shall not apply to any 4687



registrant, or any member of the immediate family of an owner of 4688  
a registrant, who, on January 1, 2010, directly or indirectly 4689  
owns or controls a majority interest in an appraisal company. 4690  
However, such ownership or control is subject to the following 4691  
conditions: 4692

(1) The registrant and members of the immediate family of 4693  
an owner of a registrant shall not increase their interest in 4694  
the company. 4695

(2) The interest is not transferable to a member of the 4696  
immediate family of an owner of a registrant. 4697

(3) If the registrant is convicted of or pleads guilty or 4698  
nolo contendere to a criminal violation of ~~sections 1322.01 to~~ 4699  
~~1322.12 of the Revised Code~~ this chapter or any criminal offense 4700  
described in division (A) (1) (b) of section ~~1322.10~~ 1322.50 of 4701  
the Revised Code, the superintendent of financial institutions 4702  
may, in addition to any of the actions authorized under section 4703  
~~1322.10~~ 1322.50 of the Revised Code, order the registrant or 4704  
members of the immediate family of an owner of a registrant to 4705  
divest their interest in the company. 4706

**~~Sec. 1322.075~~ 1322.42.** (A) (1) No registrant or licensee or 4707  
person required to be registered or licensed under ~~sections~~ 4708  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter shall refer 4709  
a buyer to any settlement service provider, including any title 4710  
insurance company, that has an affiliated business arrangement 4711  
with the registrant, licensee, or person without providing the 4712  
buyer with written notice ~~disclosing all of the following:~~ 4713

~~(1) Any business relationship that exists between the~~ 4714  
~~registrant, licensee, or person required to be registered or~~ 4715  
~~licensed under sections 1322.01 to 1322.12 of the Revised Code,~~ 4716

~~and the provider to which the buyer is being referred, and any~~ 4717  
~~financial benefit that the registrant, licensee, or person may~~ 4718  
~~be provided because of the relationship;~~ 4719

~~(2) The percentage of ownership interest the registrant,~~ 4720  
~~licensee, or person required to be registered or licensed under~~ 4721  
~~sections 1322.01 to 1322.12 of the Revised Code has in the~~ 4722  
~~provider to which the buyer is being referred;~~ 4723

~~(3) The estimated charge or range of charges for the~~ 4724  
~~settlement service listed;~~ 4725

~~(4) The following statement, printed in boldface type of~~ 4726  
~~the minimum size of sixteen points: "There are frequently other~~ 4727  
~~settlement service providers available with similar services.~~ 4728  
~~You are free to shop around to determine that you are receiving~~ 4729  
~~the best services and the best rate for these services."as~~ 4730  
~~required by rule adopted by the superintendent.~~ 4731

(2) As used in division (A) (1) of this section, 4732  
"affiliated business arrangement" has the same meaning as in 12 4733  
U.S.C. 2602. 4734

(B) No registrant or licensee shall refer a buyer to an 4735  
appraisal company, if the registrant or licensee, a member of 4736  
the immediate family of an owner of the registrant, or a member 4737  
of the licensee's immediate family, has either of the following 4738  
financial relationships with the appraisal company: 4739

(1) An ownership or investment interest in the company, 4740  
whether through debt, equity, or other means; 4741

(2) Any compensation arrangement involving any 4742  
remuneration, directly or indirectly, overtly or covertly, in 4743  
cash or in kind. 4744

(C) No registrant or licensee shall knowingly enter into  
an arrangement or scheme, including a cross-referral  
arrangement, that has a principal purpose of assuring referrals  
by a registrant or licensee to a particular appraisal company  
that would violate division (B) of this section.

(D) The registrant, licensee, and entity holding a valid  
letter of exemption under division (B)(1) of section 1322.05 of  
the Revised Code, or person required to be registered or  
licensed under ~~sections 1322.01 to 1322.12 of the Revised Code~~  
this chapter shall retain proof that the buyer received the  
written disclosures required by division (A) of this section for  
four years.

**Sec. 1322.43.** No registrant and entity holding a valid  
letter of exemption under division (B)(1) of section 1322.05 of  
the Revised Code, through its operations manager or otherwise,  
shall fail to do either of the following:

(A) Reasonably supervise a mortgage loan originator or any  
other person associated with the registrant;

(B) Establish reasonable procedures designed to avoid  
violations of any provision of this chapter or the rules adopted  
under this chapter, or violations of applicable state and  
federal consumer and lending laws or rules, by mortgage loan  
originators or any other person associated with the registrant.

**Sec. ~~1322.041~~ 1322.45.** (A) A registrant, a licensee, and  
any person required to be registered or licensed under ~~sections~~  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter, in addition  
to duties imposed by other statutes or common law, shall do all  
of the following:

(1) Safeguard and account for any money handled for the

buyer; 4774

(2) Follow reasonable and lawful instructions from the 4775  
buyer; 4776

(3) Act with reasonable skill, care, and diligence; 4777

(4) Act in good faith and with fair dealing in any 4778  
transaction, practice, or course of business in connection with 4779  
the brokering or originating of any residential mortgage loan; 4780

(5) Make reasonable efforts to secure a residential 4781  
mortgage loan, from lenders with whom the registrant, licensee, 4782  
or person regularly does business, with rates, charges, and 4783  
repayment terms that are advantageous to the buyer. 4784

(B) Division (A) of this section shall not apply to 4785  
wholesale lenders. However, wholesale lenders are subject to all 4786  
other requirements applicable to mortgage brokers and nonbank 4787  
mortgage lenders. For purposes of this division, "wholesale 4788  
lender" means a company that has been issued a ~~mortgage broker~~ 4789  
certificate of registration and that enters into transactions 4790  
with buyers exclusively through unaffiliated third-party 4791  
mortgage brokers. 4792

(C) The duties and standards of care created in this 4793  
section cannot be waived or modified. 4794

(D) (1) A buyer injured by a ~~violation of failure to comply~~ 4795  
with this section may bring an action for recovery of damages. 4796

(2) Damages awarded under division (D) (1) of this section 4797  
shall not be less than all compensation paid directly or 4798  
indirectly to a mortgage broker from any source, plus reasonable 4799  
attorney's fees and court costs. 4800

(3) The buyer may be awarded punitive damages. 4801

(E) A buyer injured by a ~~violation of failure to comply~~ 4802  
~~with~~ this section is precluded from recovering any damages, plus 4803  
reasonable attorney's fees and costs, if the buyer has also 4804  
recovered any damages in a cause of action initiated under 4805  
section ~~1322.11-1322.52~~ of the Revised Code and the recovery of 4806  
damages for a ~~violation of failure to comply with~~ this section 4807  
is based on the same acts or circumstances as the basis for 4808  
recovery of damages in section ~~1322.11-1322.52~~ of the Revised 4809  
Code. 4810

(F) This section shall not be interpreted by the 4811  
~~superintendent to require a separate account for deposit of~~ 4812  
~~buyer funds.~~ 4813

**Sec. ~~1322.09~~ 1322.46.** (A) A ~~mortgage broker-registrant~~ or 4814  
~~mortgage~~ loan originator shall disclose in any printed, 4815  
televised, broadcast, electronically transmitted, or published 4816  
advertisement relating to the ~~mortgage broker's-registrant's~~ or 4817  
~~mortgage~~ loan originator's services, including on any electronic 4818  
site accessible through the internet, the ~~business name and~~ 4819  
~~street address~~ of the ~~mortgage broker-registrant~~ or ~~mortgage~~ 4820  
loan originator and the ~~number designated on the certificate of~~ 4821  
~~registration or license that is issued to~~ unique identifier of 4822  
the ~~mortgage broker-registrant~~ or ~~mortgage~~ loan originator ~~by~~ 4823  
~~the superintendent of financial institutions under sections~~ 4824  
~~1322.01 to 1322.12 of the Revised Code.~~ 4825

(B) In making any advertisement, a ~~mortgage broker-~~ 4826  
~~registrant~~ shall comply with 12 C.F.R. 226.16, as amended. 4827

~~(C) No mortgage broker or loan originator shall fail to~~ 4828  
~~comply with this section.~~ 4829

**Sec. ~~1322.10~~ 1322.50.** (A) After notice and opportunity for 4830

a hearing conducted in accordance with Chapter 119. of the 4831  
Revised Code, the superintendent of financial institutions may 4832  
do the following: 4833

(1) Suspend, revoke, or refuse to issue or renew a 4834  
certificate of registration or license if the superintendent 4835  
finds any of the following: 4836

(a) A violation of or failure to comply with any provision 4837  
of ~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter 4838  
or the rules adopted under ~~those sections~~ this chapter, federal 4839  
lending law, or any other law applicable to the business 4840  
conducted under a certificate of registration or license; 4841

(b) A conviction of or guilty or nolo contendere plea to a 4842  
felony in a domestic, foreign, or military court; 4843

(c) A conviction of or guilty or nolo contendere plea to 4844  
any criminal offense involving theft, receiving stolen property, 4845  
embezzlement, forgery, fraud, passing bad checks, money 4846  
laundering, breach of trust, dishonesty, or drug trafficking, or 4847  
any criminal offense involving money or securities, in a 4848  
domestic, foreign, or military court; 4849

(d) The revocation of a ~~mortgage broker~~ certificate of 4850  
registration or mortgage loan originator license, or any 4851  
comparable authority, in any governmental jurisdiction. 4852

(2) Impose a fine of not more than one thousand dollars, 4853  
for each day a violation of a law or rule is committed, 4854  
repeated, or continued. If the registrant or licensee engages in 4855  
a pattern of repeated violations of a law or rule, the 4856  
superintendent may impose a fine of not more than two thousand 4857  
dollars for each day the violation is committed, repeated, or 4858  
continued. All fines collected pursuant to this division shall 4859

be paid to the treasurer of state to the credit of the consumer  
finance fund created in section 1321.21 of the Revised Code. In  
determining the amount of a fine to be imposed pursuant to this  
division, the superintendent may consider all of the following,  
to the extent known by the division of financial institutions:

(a) The seriousness of the violation;

(b) The registrant's or licensee's good faith efforts to  
prevent the violation;

(c) The registrant's or licensee's history regarding  
violations and compliance with division orders;

(d) The registrant's or licensee's financial resources;

(e) Any other matters the superintendent considers  
appropriate in enforcing ~~sections 1322.01 to 1322.12 of the~~  
~~Revised Code~~ this chapter.

(B) The superintendent may investigate alleged violations  
of ~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter  
or the rules adopted under ~~those sections~~ this chapter or  
complaints concerning any violation.

(1) The superintendent may make application to the court  
of common pleas for an order enjoining any violation and, upon a  
showing by the superintendent that a person has committed or is  
about to commit that violation, the court shall grant an  
injunction, restraining order, or other appropriate relief.

(2) The superintendent may make application to the court  
of common pleas for an order enjoining any person from acting as  
a mortgage lender, mortgage broker, registrant, mortgage loan  
originator, or licensee in violation of division (A) or (B) of  
section ~~1322.02-1322.07~~ of the Revised Code, and may seek and

obtain civil penalties for unregistered or unlicensed conduct of 4888  
not more than five thousand dollars per violation. 4889

(C) In conducting any investigation pursuant to this 4890  
section, the superintendent may compel, by subpoena, witnesses 4891  
to testify in relation to any matter over which the 4892  
superintendent has jurisdiction and may require the production 4893  
of any book, record, or other document pertaining to that 4894  
matter. If a person fails to file any statement or report, obey 4895  
any subpoena, give testimony, produce any book, record, or other 4896  
document as required by a subpoena, or permit photocopying of 4897  
any book, record, or other document subpoenaed, the court of 4898  
common pleas of any county in this state, upon application made 4899  
to it by the superintendent, shall compel obedience by 4900  
attachment proceedings for contempt, as in the case of 4901  
disobedience of the requirements of a subpoena issued from the 4902  
court or a refusal to testify therein. 4903

(D) If the superintendent determines that a person is 4904  
engaged in or is believed to be engaged in activities that may 4905  
constitute a violation of ~~sections 1322.01 to 1322.12 of the~~ 4906  
~~Revised Code~~ this chapter or any rule adopted thereunder, the 4907  
superintendent, after notice and a hearing conducted in 4908  
accordance with Chapter 119. of the Revised Code, may issue a 4909  
cease and desist order. If the administrative action is to 4910  
enjoin a person from acting as a mortgage lender, mortgage 4911  
broker, or mortgage loan originator in violation of division (A) 4912  
or (B) of section ~~1322.02-1322.07~~ of the Revised Code, the 4913  
superintendent may seek and impose fines for that conduct in an 4914  
amount not to exceed five thousand dollars per violation. Such 4915  
an order shall be enforceable in the court of common pleas. 4916

(E) If the superintendent revokes a ~~mortgage broker~~ 4917



certificate of registration or mortgage loan originator license, 4918  
the revocation shall be permanent and with prejudice. 4919

(F) (1) To protect the public interest, the superintendent 4920  
may, without a prior hearing, do any of the following: 4921

(a) Suspend the ~~mortgage broker~~ certificate of 4922  
registration or mortgage loan originator license of a registrant 4923  
or licensee who is convicted of or pleads guilty or nolo 4924  
contendere to a criminal violation of any provision of ~~sections~~ 4925  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter or any 4926  
criminal offense described in division (A) (1) (b) or (c) of this 4927  
section; 4928

(b) Suspend the ~~mortgage broker~~ certificate of 4929  
registration of a registrant who violates division (F) of 4930  
section ~~1322.05~~ 1322.32 of the Revised Code; 4931

(c) Suspend the ~~mortgage broker~~ certificate of 4932  
registration or mortgage loan originator license of a registrant 4933  
or licensee who fails to comply with a request made by the 4934  
superintendent under section ~~1322.03~~ 1322.09 or ~~1322.031~~ 1322.20 4935  
of the Revised Code to inspect qualifying education transcripts 4936  
located at the registrant's or licensee's place of business. 4937

(2) The superintendent may, in accordance with Chapter 4938  
119. of the Revised Code, subsequently revoke any registration 4939  
or license suspended under division (F) (1) of this section. 4940

~~(3) The superintendent shall, in accordance with Chapter~~ 4941  
~~119. of the Revised Code, adopt rules establishing the maximum~~ 4942  
~~amount of time a suspension under division (F) (1) of this~~ 4943  
~~section may continue before a hearing is conducted.~~ 4944

(G) The imposition of fines under this section does not 4945  
preclude any penalty imposed under section 1322.99 of the 4946

Revised Code.

**Sec. ~~1322.101~~ 1322.51.** On receipt of a notice pursuant to section 3123.43 of the Revised Code, the division of financial institutions shall comply with sections 3123.41 to 3123.50 of the Revised Code and any applicable rules adopted under section 3123.63 of the Revised Code with respect to a certificate or license issued pursuant to this chapter.

**Sec. ~~1322.11~~ 1322.52.** (A) (1) A buyer injured by a violation of section ~~1322.02, 1322.062, 1322.063, 1322.064,~~ 1322.07, ~~1322.071, 1322.08, or 1322.09~~ 1322.40, or 1322.46 of the Revised Code may bring an action for recovery of damages.

(2) Damages awarded under division (A) (1) of this section shall not be less than all compensation paid directly and indirectly to a ~~mortgage broker registrant~~ or mortgage loan originator from any source, plus reasonable attorney's fees and court costs.

(3) The buyer may be awarded punitive damages.

(B) (1) The superintendent of financial institutions or a buyer may directly bring an action to enjoin a violation of ~~sections 1322.01 to 1322.12 of the Revised Code~~ any provision of this chapter. The attorney general may directly bring an action to enjoin a violation of ~~sections 1322.01 to 1322.12 of the Revised Code~~ any provision of this chapter with the same rights, privileges, and powers as those described in section 1345.06 of the Revised Code. The prosecuting attorney of the county in which the action may be brought may bring an action to enjoin a violation of ~~sections 1322.01 to 1322.12 of the Revised Code~~ any provision of this chapter only if the prosecuting attorney first presents any evidence of the violation to the attorney general

and, within a reasonable period of time, the attorney general 4976  
has not agreed to bring the action. 4977

(2) The superintendent may initiate criminal proceedings 4978  
under ~~sections 1322.01 to 1322.12 of the Revised Code~~ this 4979  
chapter by presenting any evidence of criminal violation to the 4980  
prosecuting attorney of the county in which the offense may be 4981  
prosecuted. If the prosecuting attorney does not prosecute the 4982  
violations, or at the request of the prosecuting attorney, the 4983  
superintendent shall present any evidence of criminal violations 4984  
to the attorney general, who may proceed in the prosecution with 4985  
all the rights, privileges, and powers conferred by law on 4986  
prosecuting attorneys, including the power to appear before 4987  
grand juries and to interrogate witnesses before such grand 4988  
juries. These powers of the attorney general shall be in 4989  
addition to any other applicable powers of the attorney general. 4990

(3) The prosecuting attorney of the county in which an 4991  
alleged offense may be prosecuted may initiate criminal 4992  
proceedings under ~~sections 1322.01 to 1322.12 of the Revised~~ 4993  
~~Code~~ this chapter. 4994

(4) In order to initiate criminal proceedings under 4995  
~~sections 1322.01 to 1322.12 of the Revised Code~~ this chapter, 4996  
the attorney general shall first present any evidence of 4997  
criminal violations to the prosecuting attorney of the county in 4998  
which the alleged offense may be prosecuted. If, within a 4999  
reasonable period of time, the prosecuting attorney has not 5000  
agreed to prosecute the violations, the attorney general may 5001  
proceed in the prosecution with all the rights, privileges, and 5002  
powers described in division (B) (2) of this section. 5003

(5) When a judgment under this section becomes final, the 5004  
clerk of court shall mail a copy of the judgment, including 5005

supporting opinions, to the superintendent. 5006

(C) The remedies provided by this section are in addition 5007  
to any other remedy provided by law. 5008

(D) In any proceeding or action brought under ~~sections~~ 5009  
~~1322.01 to 1322.12 of the Revised Code~~ this chapter, the burden 5010  
of proving an exemption under those sections is on the person 5011  
claiming the benefit of the exemption. 5012

(E) No person shall be deemed to violate ~~sections 1322.01~~ 5013  
~~to 1322.12 of the Revised Code~~ any provision of this chapter 5014  
with respect to any act taken or omission made in reliance on a 5015  
written notice, written interpretation, or written report from 5016  
the superintendent, unless there is a subsequent amendment to 5017  
those ~~sections~~ provisions, or rules promulgated thereunder, that 5018  
affects the superintendent's notice, interpretation, or report. 5019

(F) Upon disbursement of mortgage loan proceeds to or on 5020  
behalf of the buyer, the registrant that assisted the buyer to 5021  
obtain the mortgage loan is deemed to have completed the 5022  
performance of the registrant's services for the buyer and owes 5023  
no additional duties or obligations to the buyer with respect to 5024  
the mortgage loan. However, nothing in this division shall be 5025  
construed to limit or preclude the civil or criminal liability 5026  
of a registrant for failing to comply with ~~sections 1322.01 to~~ 5027  
~~1322.12 of the Revised Code~~ this chapter or any rule adopted 5028  
under ~~those sections~~ this chapter, for failing to comply with 5029  
any provision of or duty arising under an agreement with a buyer 5030  
or lender under ~~sections 1322.01 to 1322.12 of the Revised Code~~ 5031  
this chapter, or for violating any other provision of state or 5032  
federal law. 5033

(G) A buyer injured by a violation of any of the sections 5034

specified in division (A) (1) of this section is precluded from 5035  
recovering any damages, plus reasonable attorney's fees and 5036  
costs, if the buyer has also recovered any damages in a cause of 5037  
action initiated under section ~~1322.081~~1322.45 of the Revised 5038  
Code and the recovery of damages for a violation of any of the 5039  
sections specified in division (A) (1) of this section is based 5040  
on the same acts or circumstances as the basis for recovery of 5041  
damages in section ~~1322.081~~1322.45 of the Revised Code. 5042

**Sec. ~~1322.025~~ 1322.55.** (A) Notwithstanding any provision 5043  
~~of sections 1322.01 to 1322.12 of the Revised Code~~ this chapter, 5044  
or any rule adopted thereunder, if the "Secure and Fair 5045  
Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 5046  
12 U.S.C. 5101, as amended, is modified after ~~the effective date~~ 5047  
~~of this section~~ October 16, 2009, or any regulation, statement, 5048  
or position is adopted under that act, and the item modified or 5049  
adopted affects any matter within the scope of ~~sections 1322.01~~ 5050  
~~to 1322.12 of the Revised Code~~ this chapter, the superintendent 5051  
of financial institutions may by rule adopt a similar provision. 5052

(B) The superintendent shall adopt the rules authorized by 5053  
this section in accordance with section 111.15 of the Revised 5054  
Code. Chapter 119. of the Revised Code does not apply to rules 5055  
adopted under the authority of this section. 5056

(C) A rule adopted by the superintendent under the 5057  
authority of this section is effective on the later of the 5058  
following dates: 5059

(1) The date the superintendent issues the rule; 5060

(2) The date the regulation, rule, interpretation, 5061  
procedure, or guideline the superintendent's rule is based on 5062  
becomes effective. 5063

(D) The superintendent may, upon thirty days' written notice, revoke any rule adopted under the authority of this section. A rule adopted under the authority of this section, and not revoked by the superintendent, lapses and has no further force and effect eighteen months after the rule's effective date.

Sec. 1322.56. The superintendent of financial institutions may adopt, in accordance with Chapter 119. of the Revised Code, any rule necessary to comply with the requirements of the nationwide mortgage licensing system and registry, including requirements pertaining to all of the following:

(A) Payment of nonrefundable fees to apply for, maintain, and renew licenses through the nationwide mortgage licensing system and registry;

(B) Renewal or reporting dates;

(C) Procedures to amend or to surrender a license;

(D) Any other activity necessary for participation in the nationwide mortgage licensing system and registry.

~~Sec. 1322.12~~ 1322.57. The superintendent of financial institutions, in accordance with Chapter 119. of the Revised Code, may adopt reasonable rules to administer and enforce ~~sections 1322.01 to 1322.12 of the Revised Code this chapter and to carry out the purposes of those sections this chapter.~~

**Sec. 1322.99.** (A) (1) Whoever violates division (A) ~~(1) or (2)~~ of section ~~1322.02, 1322.07 or~~ division (E), (F), or (G) of section ~~1322.07, division (B) (1) or (2) of section 1322.071, or section 1322.08 1322.40~~ of the Revised Code is guilty of a felony of the fifth degree.

~~(B) Whoever violates division (B) (3) of section 1322.071 of the Revised Code is guilty of a felony of the fourth degree.~~ 5092  
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~~(C) (2) Whoever violates division (B) or (C) (1) or (2) of section 1322.02-1322.07 of the Revised Code is guilty of a misdemeanor of the first degree.~~ 5094  
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(B) The offenses established under divisions (A) and (B) of section 1322.07 of the Revised Code are strict liability offenses, and section 2901.20 of the Revised Code does not apply. The designation of these offenses as strict liability offenses shall not be construed to imply that any other offense for which there is no specified degree of culpability, whether in this section or another section of the Revised Code, is not a strict liability offense. 5097  
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**Sec. 1329.71.** (A) As used in this section, "financial institution" means any bank, savings and loan association, savings bank, or credit union; any affiliate or subsidiary of a bank, savings and loan association, savings bank, or credit union; ~~or any registrant as defined in section 1321.51 of the Revised Code;~~ or any person registered as a mortgage lender under Chapter 1322. of the Revised Code. 5105  
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(B) Any financial institution may proceed by suit to enjoin the use of the financial institution's name or logo in connection with the sale, offering for sale, distribution, or advertising of any product or service without the express written consent of the financial institution, if such use is misleading or deceptive as to the source of origin or sponsorship of, or the affiliation with, the product or service. Any court of competent jurisdiction may grant injunctions to restrain such use as the court considers just and reasonable and may require the defendants to pay to the financial institution 5112  
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all profits derived from and all damages suffered by reason of 5122  
the wrongful use of the name or logo. 5123

(C) Notwithstanding division (B) of this section, the only 5124  
remedies that are available for the wrongful use of a financial 5125  
institution's name or logo by a registrant or licensee under 5126  
~~sections 1322.01 to 1322.12~~ Chapter 1322. of the Revised Code 5127  
are those set forth in section ~~1322.10~~ 1322.50 of the Revised 5128  
Code or otherwise provided by statute or common law. 5129

(D) The provisions of this section are not intended to be 5130  
exclusive remedies and do not preclude the use of any other 5131  
remedy provided by law. 5132

**Sec. 1335.02.** (A) As used in this section: 5133

(1) "Debtor" means a person that obtains credit or seeks a 5134  
loan agreement with a financial institution or owes money to a 5135  
financial institution. 5136

(2) "Financial institution" means ~~either~~ any of the 5137  
following: 5138

(a) A federally or state-chartered bank, savings bank, 5139  
savings and loan association, or credit union, or a holding 5140  
company, subsidiary, or affiliate of a bank, savings bank, or 5141  
savings and loan association; 5142

(b) A licensee under sections 1321.01 to 1321.19 of the 5143  
Revised Code, or a registrant under sections 1321.51 to 1321.60 5144  
of the Revised Code, or a parent company, subsidiary, or 5145  
affiliate of a licensee or registrant; 5146

(c) A person registered as a mortgage lender under Chapter 5147  
1322. of the Revised Code or a parent company, subsidiary, or 5148  
affiliate of such a person. 5149



(3) "Loan agreement" means one or more promises, 5150  
promissory notes, agreements, undertakings, security agreements, 5151  
mortgages, or other documents or commitments, or any combination 5152  
of these documents or commitments, pursuant to which a financial 5153  
institution loans or delays, or agrees to loan or delay, 5154  
repayment of money, goods, or anything of value, or otherwise 5155  
extends credit or makes a financial accommodation. "Loan 5156  
agreement" does not include a promise, promissory note, 5157  
agreement, undertaking, or other document or commitment relating 5158  
to a credit card, a charge card, a revolving budget agreement 5159  
subject to section 1317.11 of the Revised Code, an open-end loan 5160  
agreement subject to section 1321.16 or 1321.58 of the Revised 5161  
Code, or an open-end credit agreement subject to section 1109.18 5162  
of the Revised Code. 5163

(B) No party to a loan agreement may bring an action on a 5164  
loan agreement unless the agreement is in writing and is signed 5165  
by the party against whom the action is brought or by the 5166  
authorized representative of the party against whom the action 5167  
is brought. However, a loan agreement need not be signed by an 5168  
officer or other authorized representative of a financial 5169  
institution, if the loan agreement is in the form of a 5170  
promissory note or other document or commitment that describes 5171  
the credit or loan and the loan agreement, by its terms, 5172  
satisfies all of the following conditions: 5173

(1) The loan agreement is intended by the parties to be 5174  
signed by the debtor but not by an officer or other authorized 5175  
representative of the financial institution. 5176

(2) The loan agreement has been signed by the debtor. 5177

(3) The delivery of the loan agreement has been accepted 5178  
by the financial institution. 5179

(C) The terms of a loan agreement subject to this section, 5180  
including the rights and obligations of the parties to the loan 5181  
agreement, shall be determined solely from the written loan 5182  
agreement, and shall not be varied by any oral agreements that 5183  
are made or discussions that occur before or contemporaneously 5184  
with the execution of the loan agreement. Any prior oral 5185  
agreements between the parties are superseded by the loan 5186  
agreement. 5187

(D) This section does not apply to any loan agreement in 5188  
which the proceeds of the loan agreement are used by the debtor 5189  
primarily for personal, household, or family purposes and either 5190  
of the following applies: 5191

(1) The proceeds of the loan agreement are less than forty 5192  
thousand dollars; 5193

(2) A security interest securing the loan agreement is or 5194  
will be acquired in the primary residence of the debtor. 5195

**Sec. 1345.01.** As used in sections 1345.01 to 1345.13 of 5196  
the Revised Code: 5197

(A) "Consumer transaction" means a sale, lease, 5198  
assignment, award by chance, or other transfer of an item of 5199  
goods, a service, a franchise, or an intangible, to an 5200  
individual for purposes that are primarily personal, family, or 5201  
household, or solicitation to supply any of these things. 5202  
"Consumer transaction" does not include transactions between 5203  
persons, defined in sections 4905.03 and 5725.01 of the Revised 5204  
Code, and their customers, except for transactions involving a 5205  
loan made pursuant to sections 1321.35 to 1321.48 of the Revised 5206  
Code and transactions in connection with residential mortgages 5207  
between loan officers, mortgage brokers, or nonbank mortgage 5208

lenders and their customers; transactions involving a home 5209  
construction service contract as defined in section 4722.01 of 5210  
the Revised Code; transactions between certified public 5211  
accountants or public accountants and their clients; 5212  
transactions between attorneys, physicians, or dentists and 5213  
their clients or patients; and transactions between 5214  
veterinarians and their patients that pertain to medical 5215  
treatment but not ancillary services. 5216

(B) "Person" includes an individual, corporation, 5217  
government, governmental subdivision or agency, business trust, 5218  
estate, trust, partnership, association, cooperative, or other 5219  
legal entity. 5220

(C) "Supplier" means a seller, lessor, assignor, 5221  
franchisor, or other person engaged in the business of effecting 5222  
or soliciting consumer transactions, whether or not the person 5223  
deals directly with the consumer. If the consumer transaction is 5224  
in connection with a residential mortgage, "supplier" does not 5225  
include an assignee or purchaser of the loan for value, except 5226  
as otherwise provided in section 1345.091 of the Revised Code. 5227  
For purposes of this division, in a consumer transaction in 5228  
connection with a residential mortgage, "seller" means a loan 5229  
officer, mortgage broker, or nonbank mortgage lender. 5230

(D) "Consumer" means a person who engages in a consumer 5231  
transaction with a supplier. 5232

(E) "Knowledge" means actual awareness, but such actual 5233  
awareness may be inferred where objective manifestations 5234  
indicate that the individual involved acted with such awareness. 5235

(F) "Natural gas service" means the sale of natural gas, 5236  
exclusive of any distribution or ancillary service. 5237

(G) "Public telecommunications service" means the 5238  
transmission by electromagnetic or other means, other than by a 5239  
telephone company as defined in section 4927.01 of the Revised 5240  
Code, of signs, signals, writings, images, sounds, messages, or 5241  
data originating in this state regardless of actual call 5242  
routing. "Public telecommunications service" excludes a system, 5243  
including its construction, maintenance, or operation, for the 5244  
provision of telecommunications service, or any portion of such 5245  
service, by any entity for the sole and exclusive use of that 5246  
entity, its parent, a subsidiary, or an affiliated entity, and 5247  
not for resale, directly or indirectly; the provision of 5248  
terminal equipment used to originate telecommunications service; 5249  
broadcast transmission by radio, television, or satellite 5250  
broadcast stations regulated by the federal government; or cable 5251  
television service. 5252

(H) (1) "Loan officer" means an individual who for 5253  
compensation or gain, or in anticipation of compensation or 5254  
gain, takes or offers to take a residential mortgage loan 5255  
application; assists or offers to assist a buyer in obtaining or 5256  
applying to obtain a residential mortgage loan by, among other 5257  
things, advising on loan terms, including rates, fees, and other 5258  
costs; offers or negotiates terms of a residential mortgage 5259  
loan; or issues or offers to issue a commitment for a 5260  
residential mortgage loan. "Loan officer" also includes a 5261  
mortgage loan originator as defined in division ~~(E) (1)~~ (EE) of 5262  
section 1322.01 of the Revised Code. 5263

(2) "Loan officer" does not include an employee of a bank, 5264  
savings bank, savings and loan association, credit union, or 5265  
credit union service organization organized under the laws of 5266  
this state, another state, or the United States; an employee of 5267  
a subsidiary of such a bank, savings bank, savings and loan 5268

association, or credit union; or an employee of an affiliate 5269  
that (a) controls, is controlled by, or is under common control 5270  
with, such a bank, savings bank, savings and loan association, 5271  
or credit union and (b) is subject to examination, supervision, 5272  
and regulation, including with respect to the affiliate's 5273  
compliance with applicable consumer protection requirements, by 5274  
the board of governors of the federal reserve system, the 5275  
comptroller of the currency, the office of thrift supervision, 5276  
the federal deposit insurance corporation, or the national 5277  
credit union administration. 5278

(I) "Residential mortgage" or "mortgage" means an 5279  
obligation to pay a sum of money evidenced by a note and secured 5280  
by a lien upon real property located within this state 5281  
containing two or fewer residential units or on which two or 5282  
fewer residential units are to be constructed and includes such 5283  
an obligation on a residential condominium or cooperative unit. 5284

(J) (1) "Mortgage broker" means any of the following: 5285

(a) A person that holds that person out as being able to 5286  
assist a buyer in obtaining a mortgage and charges or receives 5287  
from either the buyer or lender money or other valuable 5288  
consideration readily convertible into money for providing this 5289  
assistance; 5290

(b) A person that solicits financial and mortgage 5291  
information from the public, provides that information to a 5292  
mortgage broker or a person that makes residential mortgage 5293  
loans, and charges or receives from either of them money or 5294  
other valuable consideration readily convertible into money for 5295  
providing the information; 5296

(c) A person engaged in table-funding or warehouse-lending 5297

mortgage loans that are residential mortgage loans. 5298

(2) "Mortgage broker" does not include a bank, savings 5299  
bank, savings and loan association, credit union, or credit 5300  
union service organization organized under the laws of this 5301  
state, another state, or the United States; a subsidiary of such 5302  
a bank, savings bank, savings and loan association, or credit 5303  
union; an affiliate that (a) controls, is controlled by, or is 5304  
under common control with, such a bank, savings bank, savings 5305  
and loan association, or credit union and (b) is subject to 5306  
examination, supervision, and regulation, including with respect 5307  
to the affiliate's compliance with applicable consumer 5308  
protection requirements, by the board of governors of the 5309  
federal reserve system, the comptroller of the currency, the 5310  
office of thrift supervision, the federal deposit insurance 5311  
corporation, or the national credit union administration; or an 5312  
employee of any such entity. 5313

(K) "Nonbank mortgage lender" means any person that 5314  
engages in a consumer transaction in connection with a 5315  
residential mortgage, except for a bank, savings bank, savings 5316  
and loan association, credit union, or credit union service 5317  
organization organized under the laws of this state, another 5318  
state, or the United States; a subsidiary of such a bank, 5319  
savings bank, savings and loan association, or credit union; or 5320  
an affiliate that (1) controls, is controlled by, or is under 5321  
common control with, such a bank, savings bank, savings and loan 5322  
association, or credit union and (2) is subject to examination, 5323  
supervision, and regulation, including with respect to the 5324  
affiliate's compliance with applicable consumer protection 5325  
requirements, by the board of governors of the federal reserve 5326  
system, the comptroller of the currency, the office of thrift 5327  
supervision, the federal deposit insurance corporation, or the 5328

national credit union administration. 5329

(L) For purposes of divisions (H), (J), and (K) of this 5330  
section: 5331

(1) "Control" of another entity means ownership, control, 5332  
or power to vote twenty-five per cent or more of the outstanding 5333  
shares of any class of voting securities of the other entity, 5334  
directly or indirectly or acting through one or more other 5335  
persons. 5336

(2) "Credit union service organization" means a CUSO as 5337  
defined in 12 C.F.R. 702.2. 5338

**Sec. 1349.27.** A creditor shall not do any of the 5339  
following: 5340

(A) Make a covered loan that includes any of the 5341  
following: 5342

(1) Terms under which a consumer must pay a prepayment 5343  
penalty for paying all or part of the principal before the date 5344  
on which the principal is due. For purposes of division (A) (1) 5345  
of this section, any method of computing a refund of unearned 5346  
scheduled interest is a prepayment penalty if it is less 5347  
favorable to the consumer than the actuarial method. 5348

Division (A) (1) of this section does not apply to a 5349  
prepayment penalty imposed in accordance with section 129(c) (2) 5350  
of the "Home Ownership and Equity Protection Act of 1994," 108 5351  
Stat. 2190, 15 U.S.C.A. 1639(c) (2), as amended, and the 5352  
regulations adopted thereunder by the federal reserve board, as 5353  
amended. 5354

(2) Terms under which the outstanding principal balance 5355  
will increase at any time over the course of the loan because 5356

the regular periodic payments do not cover the full amount of 5357  
interest due; 5358

(3) Terms under which more than two periodic payments 5359  
required under the loan are consolidated and paid in advance 5360  
from the loan proceeds provided to the consumer; 5361

(4) Terms under which a rebate of interest arising from a 5362  
loan acceleration due to default is calculated by a method less 5363  
favorable than the actuarial method. 5364

(B) Make a covered loan that provides for an interest rate 5365  
applicable after default that is higher than the interest rate 5366  
that applies before default; 5367

(C) Make a covered loan having a term of less than five 5368  
years that includes terms under which the aggregate amount of 5369  
the regular periodic payments would not fully amortize the 5370  
outstanding principal balance. This division does not apply to 5371  
any covered loan with a maturity of less than one year, if the 5372  
purpose of the loan is a "bridge" loan connected with the 5373  
acquisition or construction of a dwelling intended to become the 5374  
consumer's principal dwelling. 5375

(D) Engage in a pattern or practice of extending credit to 5376  
consumers under covered loans based on the consumers' collateral 5377  
without regard to the consumers' repayment ability, including 5378  
the consumers' current and expected income, current obligations, 5379  
and employment; 5380

(E) Make a payment to a contractor under a home 5381  
improvement contract from amounts extended as credit under a 5382  
covered loan, except in either of the following ways: 5383

(1) By an instrument that is payable to the consumer or 5384  
jointly to the consumer and the contractor; 5385



(2) At the election of the consumer, by a third party 5386  
escrow agent in accordance with terms established in a written 5387  
agreement signed by the consumer, the creditor, and the 5388  
contractor before the date of payment. 5389

(F) On or after October 1, 2002, make a covered loan that 5390  
includes a demand feature that permits the creditor to terminate 5391  
the loan in advance of the original maturity date and to demand 5392  
repayment of the entire outstanding balance, except in any of 5393  
the following circumstances: 5394

(1) There is fraud or material misrepresentation by the 5395  
consumer in connection with the loan. 5396

(2) The consumer fails to meet the repayment terms of the 5397  
agreement for any outstanding balance. 5398

(3) There is any action or inaction by the consumer that 5399  
adversely affects the creditor's security for the loan or any 5400  
right of the creditor in that security. 5401

(G) (1) Within one year after having made a covered loan, 5402  
refinance a covered loan to the same borrower into another 5403  
covered loan, unless the refinancing is in the consumer's 5404  
interest. An assignee holding or servicing a covered loan shall 5405  
not, for the remainder of the one-year period following the date 5406  
of origination of the covered loan, refinance any covered loan 5407  
to the same consumer into another covered loan, unless the 5408  
refinancing is in the consumer's interest. 5409

A creditor or assignee shall not engage in acts or 5410  
practices to evade division (G) (1) of this section, including a 5411  
pattern or practice of arranging for the refinancing of its own 5412  
loans by affiliated or unaffiliated creditors, or modifying a 5413  
loan agreement, whether or not the existing loan is satisfied 5414

and replaced by the new loan, and charging a fee. 5415

(2) Division (G) (1) of this section shall apply on and 5416  
after October 1, 2002. 5417

~~(H) Make a covered loan without first obtaining a copy of~~ 5418  
~~the mortgage loan origination disclosure statement that was~~ 5419  
~~delivered to the buyer in accordance with division (A) (1) of~~ 5420  
~~section 1322.062 of the Revised Code;~~ 5421

~~(I)~~ Finance, directly or indirectly, into a covered loan 5422  
or finance to the same borrower within thirty days of a covered 5423  
loan any credit life or credit disability insurance premiums 5424  
sold in connection with the covered loan, provided that any 5425  
credit life or credit disability insurance premiums calculated 5426  
and paid on a monthly or other periodic basis shall not be 5427  
considered financed by the person originating the loan. For 5428  
purposes of this division, credit life or credit disability 5429  
insurance does not include a contract issued by a government 5430  
agency or private mortgage insurance company to insure the 5431  
lender against loss caused by a mortgagor's default. 5432

~~(J)~~ (I) Replace or consolidate a zero interest rate or 5433  
other low-rate loan made by a governmental or nonprofit lender 5434  
with a covered loan within the first ten years of the low-rate 5435  
loan unless the current holder of the loan consents in writing 5436  
to the refinancing. For purposes of this division, a "low-rate 5437  
loan" means a loan that carries a current interest rate two 5438  
percentage points or more below the current yield on United 5439  
States treasury securities with a comparable maturity. If the 5440  
loan's current interest rate is either a discounted introductory 5441  
rate or a rate that automatically steps up over time, the fully 5442  
indexed rate or the fully stepped-up rate, as applicable, shall 5443  
be used, in lieu of the current rate, to determine whether a 5444

loan is a low-rate loan. 5445

~~(K)~~ (J) Make a covered loan if, at the time the loan was 5446  
consummated, the consumer's total monthly debt, including 5447  
amounts owed under the loan, exceed fifty per cent of the 5448  
consumer's monthly gross income, as verified by the credit 5449  
application, the consumer's financial statement, a credit 5450  
report, financial information provided to the person originating 5451  
the loan by or on behalf of the consumer, or any other 5452  
reasonable means, unless the consumer submits both of the 5453  
following: 5454

(1) Verification that the consumer received prepurchase 5455  
counseling from a counseling service that meets the criteria 5456  
established by the superintendent of financial institutions 5457  
under section 1349.271 of the Revised Code; 5458

(2) A disclosure, signed by the consumer, that 5459  
acknowledges the risk of entering into such a loan. 5460

**Sec. 1349.43.** (A) As used in this section, "loan officer," 5461  
"mortgage broker," and "nonbank mortgage lender" have the same 5462  
meanings as in section 1345.01 of the Revised Code. 5463

(B) The department of commerce shall establish and 5464  
maintain an electronic database accessible through the internet 5465  
that contains information on all of the following: 5466

(1) The enforcement actions taken by the superintendent of 5467  
financial institutions for each violation of or failure to 5468  
comply with any provision of ~~sections 1322.01 to 1322.12~~ Chapter 5469  
1322. of the Revised Code, upon final disposition of the action; 5470

(2) The enforcement actions taken by the attorney general 5471  
under Chapter 1345. of the Revised Code against loan officers, 5472  
mortgage brokers, and nonbank mortgage lenders, upon final 5473

disposition of each action; 5474

(3) All judgments by courts of this state, concerning 5475  
which appellate remedies have been exhausted or lost by the 5476  
expiration of the time for appeal, finding either of the 5477  
following: 5478

(a) A violation of any provision of ~~sections 1322.01 to~~ 5479  
~~1322.12 Chapter 1322.~~ of the Revised Code; 5480

(b) That specific acts or practices by a loan officer, 5481  
mortgage broker, or nonbank mortgage lender violate section 5482  
1345.02, 1345.03, or 1345.031 of the Revised Code. 5483

(C) The attorney general shall notify the department of 5484  
all enforcement actions and judgments described in divisions (B) 5485  
(2) and (3)(b) of this section. 5486

(D) The department may adopt rules in accordance with 5487  
Chapter 119. of the Revised Code that are necessary to implement 5488  
this section. 5489

(E) The electronic database maintained by the department 5490  
in accordance with this section shall not include information 5491  
that, pursuant to section ~~1322.061~~ 1322.36 of the Revised Code, 5492  
is confidential. 5493

**Sec. 1349.44.** (A) The superintendent of financial 5494  
institutions shall report semiannually to the governor and the 5495  
general assembly on the operations of the division of financial 5496  
institutions with respect to the following: 5497

(1) Enforcement actions instituted by the superintendent 5498  
for a violation of or failure to comply with any provision of 5499  
~~sections 1322.01 to 1322.12 Chapter 1322.~~ of the Revised Code, 5500  
and their final dispositions; 5501

(2) Suspensions, revocations, or refusals to issue or 5502  
renew certificates of registration and licenses under ~~sections~~ 5503  
~~1322.01 to 1322.12~~ Chapter 1322. of the Revised Code; 5504

(3) Outreach efforts of the office of consumer affairs to 5505  
provide education regarding predatory lending, borrowing, and 5506  
related financial topics. 5507

(B) The information required under divisions (A) (1) and 5508  
(2) of this section does not include information that, pursuant 5509  
to section ~~1322.061~~ 1322.36 of the Revised Code, is 5510  
confidential. 5511

**Sec. 1349.45.** (A) As used in this section, "financial 5512  
institution" means any bank, savings and loan association, 5513  
savings bank, or credit union; any affiliate or subsidiary of a 5514  
bank, savings and loan association, savings bank, or credit 5515  
union; ~~or~~ any registrant as defined in section 1321.51 of the 5516  
Revised Code; or any person registered as a mortgage lender 5517  
under Chapter 1322. of the Revised Code. 5518

(B) No person shall use the name or logo of any financial 5519  
institution in connection with the sale, offering for sale, 5520  
distribution, or advertising of any product or service without 5521  
the express written consent of the financial institution, if 5522  
such use is misleading or deceptive as to the source of origin 5523  
or sponsorship of, or the affiliation with, the product or 5524  
service. 5525

**Sec. 1349.99.** (A) Whoever violates section 1349.06 or 5526  
1349.17 of the Revised Code is guilty of a minor misdemeanor. 5527

(B) (1) Whoever violates section 1349.45 of the Revised 5528  
Code is guilty of a misdemeanor of the first degree. 5529

(2) Notwithstanding division (B) (1) of this section, the 5530

only remedies that are available for a violation of section 5531  
1349.45 of the Revised Code by a registrant or licensee under 5532  
~~sections 1322.01 to 1322.12~~ Chapter 1322. of the Revised Code 5533  
are those set forth in section ~~1322.10~~ 1322.50 of the Revised 5534  
Code or otherwise provided by statute or common law. 5535

(3) The provisions of division (B) of this section are not 5536  
intended to be exclusive remedies and do not preclude the use of 5537  
any other remedy provided by law. 5538

**Sec. 2923.31.** As used in sections 2923.31 to 2923.36 of 5539  
the Revised Code: 5540

(A) "Beneficial interest" means any of the following: 5541

(1) The interest of a person as a beneficiary under a 5542  
trust in which the trustee holds title to personal or real 5543  
property; 5544

(2) The interest of a person as a beneficiary under any 5545  
other trust arrangement under which any other person holds title 5546  
to personal or real property for the benefit of such person; 5547

(3) The interest of a person under any other form of 5548  
express fiduciary arrangement under which any other person holds 5549  
title to personal or real property for the benefit of such 5550  
person. 5551

"Beneficial interest" does not include the interest of a 5552  
stockholder in a corporation or the interest of a partner in 5553  
either a general or limited partnership. 5554

(B) "Costs of investigation and prosecution" and "costs of 5555  
investigation and litigation" mean all of the costs incurred by 5556  
the state or a county or municipal corporation under sections 5557  
2923.31 to 2923.36 of the Revised Code in the prosecution and 5558

investigation of any criminal action or in the litigation and 5559  
investigation of any civil action, and includes, but is not 5560  
limited to, the costs of resources and personnel. 5561

(C) "Enterprise" includes any individual, sole 5562  
proprietorship, partnership, limited partnership, corporation, 5563  
trust, union, government agency, or other legal entity, or any 5564  
organization, association, or group of persons associated in 5565  
fact although not a legal entity. "Enterprise" includes illicit 5566  
as well as licit enterprises. 5567

(D) "Innocent person" includes any bona fide purchaser of 5568  
property that is allegedly involved in a violation of section 5569  
2923.32 of the Revised Code, including any person who 5570  
establishes a valid claim to or interest in the property in 5571  
accordance with division (E) of section 2981.04 of the Revised 5572  
Code, and any victim of an alleged violation of that section or 5573  
of any underlying offense involved in an alleged violation of 5574  
that section. 5575

(E) "Pattern of corrupt activity" means two or more 5576  
incidents of corrupt activity, whether or not there has been a 5577  
prior conviction, that are related to the affairs of the same 5578  
enterprise, are not isolated, and are not so closely related to 5579  
each other and connected in time and place that they constitute 5580  
a single event. 5581

At least one of the incidents forming the pattern shall 5582  
occur on or after January 1, 1986. Unless any incident was an 5583  
aggravated murder or murder, the last of the incidents forming 5584  
the pattern shall occur within six years after the commission of 5585  
any prior incident forming the pattern, excluding any period of 5586  
imprisonment served by any person engaging in the corrupt 5587  
activity. 5588

For the purposes of the criminal penalties that may be 5589  
imposed pursuant to section 2923.32 of the Revised Code, at 5590  
least one of the incidents forming the pattern shall constitute 5591  
a felony under the laws of this state in existence at the time 5592  
it was committed or, if committed in violation of the laws of 5593  
the United States or of any other state, shall constitute a 5594  
felony under the law of the United States or the other state and 5595  
would be a criminal offense under the law of this state if 5596  
committed in this state. 5597

(F) "Pecuniary value" means money, a negotiable 5598  
instrument, a commercial interest, or anything of value, as 5599  
defined in section 1.03 of the Revised Code, or any other 5600  
property or service that has a value in excess of one hundred 5601  
dollars. 5602

(G) "Person" means any person, as defined in section 1.59 5603  
of the Revised Code, and any governmental officer, employee, or 5604  
entity. 5605

(H) "Personal property" means any personal property, any 5606  
interest in personal property, or any right, including, but not 5607  
limited to, bank accounts, debts, corporate stocks, patents, or 5608  
copyrights. Personal property and any beneficial interest in 5609  
personal property are deemed to be located where the trustee of 5610  
the property, the personal property, or the instrument 5611  
evidencing the right is located. 5612

(I) "Corrupt activity" means engaging in, attempting to 5613  
engage in, conspiring to engage in, or soliciting, coercing, or 5614  
intimidating another person to engage in any of the following: 5615

(1) Conduct defined as "racketeering activity" under the 5616  
"Organized Crime Control Act of 1970," 84 Stat. 941, 18 U.S.C. 5617



1961(1) (B), (1) (C), (1) (D), and (1) (E), as amended; 5618

(2) Conduct constituting any of the following: 5619

(a) A violation of section 1315.55, ~~1322.02~~ 1322.07, 5620  
2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2905.01, 5621  
2905.02, 2905.11, 2905.22, 2905.32 as specified in division (I) 5622  
(2) (g) of this section, 2907.321, 2907.322, 2907.323, 2909.02, 5623  
2909.03, 2909.22, 2909.23, 2909.24, 2909.26, 2909.27, 2909.28, 5624  
2909.29, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2911.31, 5625  
2913.05, 2913.06, 2921.02, 2921.03, 2921.04, 2921.11, 2921.12, 5626  
2921.32, 2921.41, 2921.42, 2921.43, 2923.12, or 2923.17; 5627  
division (F) (1) (a), (b), or (c) of section 1315.53; division (A) 5628  
(1) or (2) of section 1707.042; division (B), (C) (4), (D), (E), 5629  
or (F) of section 1707.44; division (A) (1) or (2) of section 5630  
2923.20; division (E) or (G) of section 3772.99; division (J) (1) 5631  
of section 4712.02; section 4719.02, 4719.05, or 4719.06; 5632  
division (C), (D), or (E) of section 4719.07; section 4719.08; 5633  
or division (A) of section 4719.09 of the Revised Code. 5634

(b) Any violation of section 3769.11, 3769.15, 3769.16, or 5635  
3769.19 of the Revised Code as it existed prior to July 1, 1996, 5636  
any violation of section 2915.02 of the Revised Code that occurs 5637  
on or after July 1, 1996, and that, had it occurred prior to 5638  
that date, would have been a violation of section 3769.11 of the 5639  
Revised Code as it existed prior to that date, or any violation 5640  
of section 2915.05 of the Revised Code that occurs on or after 5641  
July 1, 1996, and that, had it occurred prior to that date, 5642  
would have been a violation of section 3769.15, 3769.16, or 5643  
3769.19 of the Revised Code as it existed prior to that date. 5644

(c) Any violation of section 2907.21, 2907.22, 2907.31, 5645  
2913.02, 2913.11, 2913.21, 2913.31, 2913.32, 2913.34, 2913.42, 5646  
2913.47, 2913.51, 2915.03, 2925.03, 2925.04, 2925.05, or 2925.37 5647

of the Revised Code, any violation of section 2925.11 of the 5648  
Revised Code that is a felony of the first, second, third, or 5649  
fourth degree and that occurs on or after July 1, 1996, any 5650  
violation of section 2915.02 of the Revised Code that occurred 5651  
prior to July 1, 1996, any violation of section 2915.02 of the 5652  
Revised Code that occurs on or after July 1, 1996, and that, had 5653  
it occurred prior to that date, would not have been a violation 5654  
of section 3769.11 of the Revised Code as it existed prior to 5655  
that date, any violation of section 2915.06 of the Revised Code 5656  
as it existed prior to July 1, 1996, or any violation of 5657  
division (B) of section 2915.05 of the Revised Code as it exists 5658  
on and after July 1, 1996, when the proceeds of the violation, 5659  
the payments made in the violation, the amount of a claim for 5660  
payment or for any other benefit that is false or deceptive and 5661  
that is involved in the violation, or the value of the 5662  
contraband or other property illegally possessed, sold, or 5663  
purchased in the violation exceeds one thousand dollars, or any 5664  
combination of violations described in division (I) (2) (c) of 5665  
this section when the total proceeds of the combination of 5666  
violations, payments made in the combination of violations, 5667  
amount of the claims for payment or for other benefits that is 5668  
false or deceptive and that is involved in the combination of 5669  
violations, or value of the contraband or other property 5670  
illegally possessed, sold, or purchased in the combination of 5671  
violations exceeds one thousand dollars; 5672

(d) Any violation of section 5743.112 of the Revised Code 5673  
when the amount of unpaid tax exceeds one hundred dollars; 5674

(e) Any violation or combination of violations of section 5675  
2907.32 of the Revised Code involving any material or 5676  
performance containing a display of bestiality or of sexual 5677  
conduct, as defined in section 2907.01 of the Revised Code, that 5678

is explicit and depicted with clearly visible penetration of the 5679  
genitals or clearly visible penetration by the penis of any 5680  
orifice when the total proceeds of the violation or combination 5681  
of violations, the payments made in the violation or combination 5682  
of violations, or the value of the contraband or other property 5683  
illegally possessed, sold, or purchased in the violation or 5684  
combination of violations exceeds one thousand dollars; 5685

(f) Any combination of violations described in division 5686  
(I) (2) (c) of this section and violations of section 2907.32 of 5687  
the Revised Code involving any material or performance 5688  
containing a display of bestiality or of sexual conduct, as 5689  
defined in section 2907.01 of the Revised Code, that is explicit 5690  
and depicted with clearly visible penetration of the genitals or 5691  
clearly visible penetration by the penis of any orifice when the 5692  
total proceeds of the combination of violations, payments made 5693  
in the combination of violations, amount of the claims for 5694  
payment or for other benefits that is false or deceptive and 5695  
that is involved in the combination of violations, or value of 5696  
the contraband or other property illegally possessed, sold, or 5697  
purchased in the combination of violations exceeds one thousand 5698  
dollars; 5699

(g) Any violation of section 2905.32 of the Revised Code 5700  
to the extent the violation is not based solely on the same 5701  
conduct that constitutes corrupt activity pursuant to division 5702  
(I) (2) (c) of this section due to the conduct being in violation 5703  
of section 2907.21 of the Revised Code. 5704

(3) Conduct constituting a violation of any law of any 5705  
state other than this state that is substantially similar to the 5706  
conduct described in division (I) (2) of this section, provided 5707  
the defendant was convicted of the conduct in a criminal 5708

proceeding in the other state; 5709

(4) Animal or ecological terrorism; 5710

(5) (a) Conduct constituting any of the following: 5711

(i) Organized retail theft; 5712

(ii) Conduct that constitutes one or more violations of 5713  
any law of any state other than this state, that is 5714  
substantially similar to organized retail theft, and that if 5715  
committed in this state would be organized retail theft, if the 5716  
defendant was convicted of or pleaded guilty to the conduct in a 5717  
criminal proceeding in the other state. 5718

(b) By enacting division (I) (5) (a) of this section, it is 5719  
the intent of the general assembly to add organized retail theft 5720  
and the conduct described in division (I) (5) (a) (ii) of this 5721  
section as conduct constituting corrupt activity. The enactment 5722  
of division (I) (5) (a) of this section and the addition by 5723  
division (I) (5) (a) of this section of organized retail theft and 5724  
the conduct described in division (I) (5) (a) (ii) of this section 5725  
as conduct constituting corrupt activity does not limit or 5726  
preclude, and shall not be construed as limiting or precluding, 5727  
any prosecution for a violation of section 2923.32 of the 5728  
Revised Code that is based on one or more violations of section 5729  
2913.02 or 2913.51 of the Revised Code, one or more similar 5730  
offenses under the laws of this state or any other state, or any 5731  
combination of any of those violations or similar offenses, even 5732  
though the conduct constituting the basis for those violations 5733  
or offenses could be construed as also constituting organized 5734  
retail theft or conduct of the type described in division (I) (5) 5735  
(a) (ii) of this section. 5736

(J) "Real property" means any real property or any 5737

interest in real property, including, but not limited to, any 5738  
lease of, or mortgage upon, real property. Real property and any 5739  
beneficial interest in it is deemed to be located where the real 5740  
property is located. 5741

(K) "Trustee" means any of the following: 5742

(1) Any person acting as trustee under a trust in which 5743  
the trustee holds title to personal or real property; 5744

(2) Any person who holds title to personal or real 5745  
property for which any other person has a beneficial interest; 5746

(3) Any successor trustee. 5747

"Trustee" does not include an assignee or trustee for an 5748  
insolvent debtor or an executor, administrator, administrator 5749  
with the will annexed, testamentary trustee, guardian, or 5750  
committee, appointed by, under the control of, or accountable to 5751  
a court. 5752

(L) "Unlawful debt" means any money or other thing of 5753  
value constituting principal or interest of a debt that is 5754  
legally unenforceable in this state in whole or in part because 5755  
the debt was incurred or contracted in violation of any federal 5756  
or state law relating to the business of gambling activity or 5757  
relating to the business of lending money at an usurious rate 5758  
unless the creditor proves, by a preponderance of the evidence, 5759  
that the usurious rate was not intentionally set and that it 5760  
resulted from a good faith error by the creditor, 5761  
notwithstanding the maintenance of procedures that were adopted 5762  
by the creditor to avoid an error of that nature. 5763

(M) "Animal activity" means any activity that involves the 5764  
use of animals or animal parts, including, but not limited to, 5765  
hunting, fishing, trapping, traveling, camping, the production, 5766

preparation, or processing of food or food products, clothing or 5767  
garment manufacturing, medical research, other research, 5768  
entertainment, recreation, agriculture, biotechnology, or 5769  
service activity that involves the use of animals or animal 5770  
parts. 5771

(N) "Animal facility" means a vehicle, building, 5772  
structure, nature preserve, or other premises in which an animal 5773  
is lawfully kept, handled, housed, exhibited, bred, or offered 5774  
for sale, including, but not limited to, a zoo, rodeo, circus, 5775  
amusement park, hunting preserve, or premises in which a horse 5776  
or dog event is held. 5777

(O) "Animal or ecological terrorism" means the commission 5778  
of any felony that involves causing or creating a substantial 5779  
risk of physical harm to any property of another, the use of a 5780  
deadly weapon or dangerous ordnance, or purposely, knowingly, or 5781  
recklessly causing serious physical harm to property and that 5782  
involves an intent to obstruct, impede, or deter any person from 5783  
participating in a lawful animal activity, from mining, 5784  
forestry, harvesting, gathering, or processing natural 5785  
resources, or from being lawfully present in or on an animal 5786  
facility or research facility. 5787

(P) "Research facility" means a place, laboratory, 5788  
institution, medical care facility, government facility, or 5789  
public or private educational institution in which a scientific 5790  
test, experiment, or investigation involving the use of animals 5791  
or other living organisms is lawfully carried out, conducted, or 5792  
attempted. 5793

(Q) "Organized retail theft" means the theft of retail 5794  
property with a retail value of one thousand dollars or more 5795  
from one or more retail establishments with the intent to sell, 5796

deliver, or transfer that property to a retail property fence. 5797

(R) "Retail property" means any tangible personal property 5798  
displayed, held, stored, or offered for sale in or by a retail 5799  
establishment. 5800

(S) "Retail property fence" means a person who possesses, 5801  
procures, receives, or conceals retail property that was 5802  
represented to the person as being stolen or that the person 5803  
knows or believes to be stolen. 5804

(T) "Retail value" means the full retail value of the 5805  
retail property. In determining whether the retail value of 5806  
retail property equals or exceeds one thousand dollars, the 5807  
value of all retail property stolen from the retail 5808  
establishment or retail establishments by the same person or 5809  
persons within any one-hundred-eighty-day period shall be 5810  
aggregated. 5811

**Sec. 4712.01.** As used in sections 4712.01 to 4712.14 of 5812  
the Revised Code: 5813

(A) "Buyer" means an individual who is solicited to 5814  
purchase or who purchases the services of a credit services 5815  
organization for purposes other than obtaining a business loan 5816  
as described in division (B) (6) of section 1343.01 of the 5817  
Revised Code. 5818

(B) "Consumer reporting agency" has the same meaning as in 5819  
the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 5820  
1681a, as amended. 5821

(C) (1) "Credit services organization" means any person 5822  
that, in return for the payment of money or other valuable 5823  
consideration readily convertible into money for the following 5824  
services, sells, provides, or performs, or represents that the 5825

person can or will sell, provide, or perform, one or more of the 5826  
following services: 5827

(a) Improving a buyer's credit record, history, or rating; 5828

(b) Obtaining an extension of credit by others for a 5829  
buyer; 5830

(c) Providing advice or assistance to a buyer in 5831  
connection with division (C) (1) (a) or (b) of this section; 5832

(d) Removing adverse credit information that is accurate 5833  
and not obsolete from the buyer's credit record, history, or 5834  
rating; 5835

(e) Altering the buyer's identification to prevent the 5836  
display of the buyer's credit record, history, or rating. 5837

(2) "Credit services organization" does not include any of 5838  
the following: 5839

(a) A person that makes or collects loans, to the extent 5840  
these activities are subject to licensure or registration by 5841  
this state; 5842

(b) A mortgage broker, as defined in section 1322.01 of 5843  
the Revised Code, that holds a valid certificate of registration 5844  
under ~~sections 1322.01 to 1322.12~~ Chapter 1322. of the Revised 5845  
Code; 5846

(c) A lender approved by the United States secretary of 5847  
housing and urban development for participation in a mortgage 5848  
insurance program under the "National Housing Act," 48 Stat. 5849  
1246 (1934), 12 U.S.C.A. 1701, as amended; 5850

(d) A bank, savings bank, or savings and loan association, 5851  
or a subsidiary or an affiliate of a bank, savings bank, or 5852



savings and loan association. For purposes of division (C) (2) (d) 5853  
of this section, "affiliate" has the same meaning as in division 5854  
(A) of section 1101.01 of the Revised Code and "bank," as used 5855  
in division (A) of section 1101.01 of the Revised Code, is 5856  
deemed to include a savings bank or savings and loan 5857  
association. 5858

(e) A credit union organized and qualified under Chapter 5859  
1733. of the Revised Code or the "Federal Credit Union Act," 84 5860  
Stat. 994 (1970), 12 U.S.C.A. 1751, as amended; 5861

(f) A budget and debt counseling service, as defined in 5862  
division (D) of section 2716.03 of the Revised Code, provided 5863  
that the service is a nonprofit organization exempt from 5864  
taxation under section 501(c) (3) of the "Internal Revenue Code 5865  
of 1986," 100 Stat. 2085, 26 U.S.C.A. 501, as amended, and that 5866  
the service is in compliance with Chapter 4710. of the Revised 5867  
Code; 5868

(g) A consumer reporting agency that is in substantial 5869  
compliance with the "Fair Credit Reporting Act," 84 Stat. 1128, 5870  
15 U.S.C.A. 1681a, as amended. 5871

(h) A mortgage banker; 5872

(i) Any political subdivision, or any governmental or 5873  
other public entity, corporation, or agency, in or of the United 5874  
States or any state of the United States; 5875

(j) A college or university, or controlled entity of a 5876  
college or university, as defined in section 1713.05 of the 5877  
Revised Code; 5878

(k) A motor vehicle dealer licensed pursuant to Chapter 5879  
4517. of the Revised Code acting within the scope and authority 5880  
of that license or a motor vehicle auction owner licensed 5881

pursuant to Chapters 4517. and 4707. of the Revised Code acting 5882  
within the scope and authority of that license; 5883

(1) An attorney at law admitted to the practice of law in 5884  
this state who offers, provides, or performs a legal service 5885  
that is privileged by reason of the attorney-client 5886  
relationship, provided that the service is not a service 5887  
described in division (C) (1) (b) or (e) of this section. 5888

(D) "Extension of credit" means the right to defer payment 5889  
of debt, or to incur debt and defer its payment, offered or 5890  
granted primarily for personal, family, or household purposes. 5891  
"Extension of credit" does not include a mortgage. 5892

(E) "Mortgage" means any indebtedness secured by a deed of 5893  
trust, security deed, or other lien on real property. 5894

(F) "Mortgage banker" means any person that makes, 5895  
services, or buys and sells mortgage loans and is approved by 5896  
the United States department of housing and urban development, 5897  
the United States department of veterans affairs, the federal 5898  
national mortgage association, or the federal home loan mortgage 5899  
corporation. 5900

(G) "Superintendent of financial institutions" includes 5901  
the deputy superintendent for consumer finance as provided in 5902  
section 1181.21 of the Revised Code. 5903

**Sec. 4719.01.** (A) As used in sections 4719.01 to 4719.18 5904  
of the Revised Code: 5905

(1) "Affiliate" means a business entity that is owned by, 5906  
operated by, controlled by, or under common control with another 5907  
business entity. 5908

(2) "Communication" means a written or oral notification 5909

or advertisement that meets both of the following criteria, as 5910  
applicable: 5911

(a) The notification or advertisement is transmitted by or 5912  
on behalf of the seller of goods or services and by or through 5913  
any printed, audio, video, cinematic, telephonic, or electronic 5914  
means. 5915

(b) In the case of a notification or advertisement other 5916  
than by telephone, either of the following conditions is met: 5917

(i) The notification or advertisement is followed by a 5918  
telephone call from a telephone solicitor or salesperson. 5919

(ii) The notification or advertisement invites a response 5920  
by telephone, and, during the course of that response, a 5921  
telephone solicitor or salesperson attempts to make or makes a 5922  
sale of goods or services. As used in division (A) (2) (b) (ii) of 5923  
this section, "invites a response by telephone" excludes the 5924  
mere listing or inclusion of a telephone number in a 5925  
notification or advertisement. 5926

(3) "Gift, award, or prize" means anything of value that 5927  
is offered or purportedly offered, or given or purportedly given 5928  
by chance, at no cost to the receiver and with no obligation to 5929  
purchase goods or services. As used in this division, "chance" 5930  
includes a situation in which a person is guaranteed to receive 5931  
an item and, at the time of the offer or purported offer, the 5932  
telephone solicitor does not identify the specific item that the 5933  
person will receive. 5934

(4) "Goods or services" means any real property or any 5935  
tangible or intangible personal property, or services of any 5936  
kind provided or offered to a person. "Goods or services" 5937  
includes, but is not limited to, advertising; labor performed 5938

for the benefit of a person; personal property intended to be 5939  
attached to or installed in any real property, regardless of 5940  
whether it is so attached or installed; timeshare estates or 5941  
licenses; and extended service contracts. 5942

(5) "Purchaser" means a person that is solicited to become 5943  
or does become financially obligated as a result of a telephone 5944  
solicitation. 5945

(6) "Salesperson" means an individual who is employed, 5946  
appointed, or authorized by a telephone solicitor to make 5947  
telephone solicitations but does not mean any of the following: 5948

(a) An individual who comes within one of the exemptions 5949  
in division (B) of this section; 5950

(b) An individual employed, appointed, or authorized by a 5951  
person who comes within one of the exemptions in division (B) of 5952  
this section; 5953

(c) An individual under a written contract with a person 5954  
who comes within one of the exemptions in division (B) of this 5955  
section, if liability for all transactions with purchasers is 5956  
assumed by the person so exempted. 5957

(7) "Telephone solicitation" means a communication to a 5958  
person that meets both of the following criteria: 5959

(a) The communication is initiated by or on behalf of a 5960  
telephone solicitor or by a salesperson. 5961

(b) The communication either represents a price or the 5962  
quality or availability of goods or services or is used to 5963  
induce the person to purchase goods or services, including, but 5964  
not limited to, inducement through the offering of a gift, 5965  
award, or prize. 5966

(8) "Telephone solicitor" means a person that engages in  
telephone solicitation directly or through one or more  
salespersons either from a location in this state, or from a  
location outside this state to persons in this state. "Telephone  
solicitor" includes, but is not limited to, any such person that  
is an owner, operator, officer, or director of, partner in, or  
other individual engaged in the management activities of, a  
business.

(B) A telephone solicitor is exempt from the provisions of  
sections 4719.02 to 4719.18 and section 4719.99 of the Revised  
Code if the telephone solicitor is any one of the following:

(1) A person engaging in a telephone solicitation that is  
a one-time or infrequent transaction not done in the course of a  
pattern of repeated transactions of a like nature;

(2) A person engaged in telephone solicitation solely for  
religious or political purposes; a charitable organization,  
fund-raising counsel, or professional solicitor in compliance  
with the registration and reporting requirements of Chapter  
1716. of the Revised Code; or any person or other entity exempt  
under section 1716.03 of the Revised Code from filing a  
registration statement under section 1716.02 of the Revised  
Code;

(3) A person, making a telephone solicitation involving a  
home solicitation sale as defined in section 1345.21 of the  
Revised Code, that makes the sales presentation and completes  
the sale at a later, face-to-face meeting between the seller and  
the purchaser rather than during the telephone solicitation.  
However, if the person, following the telephone solicitation,  
causes another person to collect the payment of any money, this  
exemption does not apply.

(4) A licensed securities, commodities, or investment broker, dealer, investment advisor, or associated person when making a telephone solicitation within the scope of the person's license. As used in division (B) (4) of this section, "licensed securities, commodities, or investment broker, dealer, investment advisor, or associated person" means a person subject to licensure or registration as such by the securities and exchange commission; the National Association of Securities Dealers or other self-regulatory organization, as defined by 15 U.S.C.A. 78c; by the division of securities under Chapter 1707. of the Revised Code; or by an official or agency of any other state of the United States.

(5) (a) A person primarily engaged in soliciting the sale of a newspaper of general circulation;

(b) As used in division (B) (5) (a) of this section, "newspaper of general circulation" includes, but is not limited to, both of the following:

(i) A newspaper that is a daily law journal designated as an official publisher of court calendars pursuant to section 2701.09 of the Revised Code;

(ii) A newspaper or publication that has at least twenty-five per cent editorial, non-advertising content, exclusive of inserts, measured relative to total publication space, and an audited circulation to at least fifty per cent of the households in the newspaper's retail trade zone as defined by the audit.

(6) (a) An issuer, or its subsidiary, that has a class of securities to which all of the following apply:

(i) The class of securities is subject to section 12 of the "Securities Exchange Act of 1934," 15 U.S.C.A. 781, and is

registered or is exempt from registration under 15 U.S.C.A. 6026

781(g) (2) (A), (B), (C), (E), (F), (G), or (H); 6027

(ii) The class of securities is listed on the New York 6028

stock exchange, the American stock exchange, or the NASDAQ 6029

national market system; 6030

(iii) The class of securities is a reported security as 6031

defined in 17 C.F.R. 240.11Aa3-1(a) (4). 6032

(b) An issuer, or its subsidiary, that formerly had a 6033

class of securities that met the criteria set forth in division 6034

(B) (6) (a) of this section if the issuer, or its subsidiary, has 6035

a net worth in excess of one hundred million dollars, files or 6036

its parent files with the securities and exchange commission an 6037

S.E.C. form 10-K, and has continued in substantially the same 6038

business since it had a class of securities that met the 6039

criteria in division (B) (6) (a) of this section. As used in 6040

division (B) (6) (b) of this section, "issuer" and "subsidiary" 6041

include the successor to an issuer or subsidiary. 6042

(7) A person soliciting a transaction regulated by the 6043

commodity futures trading commission, if the person is 6044

registered or temporarily registered for that activity with the 6045

commission under 7 U.S.C.A. 1 et seq. and the registration or 6046

temporary registration has not expired or been suspended or 6047

revoked; 6048

(8) A person soliciting the sale of any book, record, 6049

audio tape, compact disc, or video, if the person allows the 6050

purchaser to review the merchandise for at least seven days and 6051

provides a full refund within thirty days to a purchaser who 6052

returns the merchandise or if the person solicits the sale on 6053

behalf of a membership club operating in compliance with 6054

regulations adopted by the federal trade commission in 16 C.F.R. 6055  
425; 6056

(9) A supervised financial institution or its subsidiary. 6057  
As used in division (B) (9) of this section, "supervised 6058  
financial institution" means a bank, trust company, savings and 6059  
loan association, savings bank, credit union, industrial loan 6060  
company, consumer finance lender, commercial finance lender, or 6061  
institution described in section 2(c) (2) (F) of the "Bank Holding 6062  
Company Act of 1956," 12 U.S.C.A. 1841(c) (2) (F), as amended, 6063  
supervised by an official or agency of the United States, this 6064  
state, or any other state of the United States; or a licensee or 6065  
registrant under sections 1321.01 to 1321.19, 1321.51 to 6066  
1321.60, or 1321.71 to 1321.83, or Chapter 1322. of the Revised 6067  
Code. 6068

(10) (a) An insurance company, association, or other 6069  
organization that is licensed or authorized to conduct business 6070  
in this state by the superintendent of insurance pursuant to 6071  
Title XXXIX of the Revised Code or Chapter 1751. of the Revised 6072  
Code, when soliciting within the scope of its license or 6073  
authorization. 6074

(b) A licensed insurance broker, agent, or solicitor when 6075  
soliciting within the scope of the person's license. As used in 6076  
division (B) (10) (b) of this section, "licensed insurance broker, 6077  
agent, or solicitor" means any person licensed as an insurance 6078  
broker, agent, or solicitor by the superintendent of insurance 6079  
pursuant to Title XXXIX of the Revised Code. 6080

(11) A person soliciting the sale of services provided by 6081  
a cable television system operating under authority of a 6082  
governmental franchise or permit; 6083



(12) A person soliciting a business-to-business sale under 6084  
which any of the following conditions are met: 6085

(a) The telephone solicitor has been operating 6086  
continuously for at least three years under the same business 6087  
name under which it solicits purchasers, and at least fifty-one 6088  
per cent of its gross dollar volume of sales consists of repeat 6089  
sales to existing customers to whom it has made sales under the 6090  
same business name. 6091

(b) The purchaser business intends to resell the goods 6092  
purchased. 6093

(c) The purchaser business intends to use the goods or 6094  
services purchased in a recycling, reuse, manufacturing, or 6095  
remanufacturing process. 6096

(d) The telephone solicitor is a publisher of a periodical 6097  
or of magazines distributed as controlled circulation 6098  
publications as defined in division (CC) of section 5739.01 of 6099  
the Revised Code and is soliciting sales of advertising, 6100  
subscriptions, reprints, lists, information databases, 6101  
conference participation or sponsorships, trade shows or media 6102  
products related to the periodical or magazine, or other 6103  
publishing services provided by the controlled circulation 6104  
publication. 6105

(13) A person that, not less often than once each year, 6106  
publishes and delivers to potential purchasers a catalog that 6107  
complies with both of the following: 6108

(a) It includes all of the following: 6109

(i) The business address of the seller; 6110

(ii) A written description or illustration of each good or 6111

service offered for sale; 6112

(iii) A clear and conspicuous disclosure of the sale price 6113  
of each good or service; shipping, handling, and other charges; 6114  
and return policy. 6115

(b) One of the following applies: 6116

(i) The catalog includes at least twenty-four pages of 6117  
written material and illustrations, is distributed in more than 6118  
one state, and has an annual postage-paid mail circulation of 6119  
not less than two hundred fifty thousand households; 6120

(ii) The catalog includes at least ten pages of written 6121  
material or an equivalent amount of material in electronic form 6122  
on the internet or an on-line computer service, the person does 6123  
not solicit customers by telephone but solely receives telephone 6124  
calls made in response to the catalog, and during the calls the 6125  
person takes orders but does not engage in further solicitation 6126  
of the purchaser. As used in division (B)(13)(b)(ii) of this 6127  
section, "further solicitation" does not include providing the 6128  
purchaser with information about, or attempting to sell, any 6129  
other item in the catalog that prompted the purchaser's call or 6130  
in a substantially similar catalog issued by the seller. 6131

(14) A political subdivision or instrumentality of the 6132  
United States, this state, or any state of the United States; 6133

(15) A college or university or any other public or 6134  
private institution of higher education in this state; 6135

(16) A public utility as defined in section 4905.02 of the 6136  
Revised Code or a retail natural gas supplier as defined in 6137  
section 4929.01 of the Revised Code, if the utility or supplier 6138  
is subject to regulation by the public utilities commission, or 6139  
the affiliate of the utility or supplier; 6140

(17) A person that solicits sales through a television 6141  
program or advertisement that is presented in the same market 6142  
area no fewer than twenty days per month or offers for sale no 6143  
fewer than ten distinct items of goods or services; and offers 6144  
to the purchaser an unconditional right to return any good or 6145  
service purchased within a period of at least seven days and to 6146  
receive a full refund within thirty days after the purchaser 6147  
returns the good or cancels the service; 6148

(18) (a) A person that, for at least one year, has been 6149  
operating a retail business under the same name as that used in 6150  
connection with telephone solicitation and both of the following 6151  
occur on a continuing basis: 6152

(i) The person either displays goods and offers them for 6153  
retail sale at the person's business premises or offers services 6154  
for sale and provides them at the person's business premises. 6155

(ii) At least fifty-one per cent of the person's gross 6156  
dollar volume of retail sales involves purchases of goods or 6157  
services at the person's business premises. 6158

(b) An affiliate of a person that meets the requirements 6159  
in division (B) (18) (a) of this section if the affiliate meets 6160  
all of the following requirements: 6161

(i) The affiliate has operated a retail business for a 6162  
period of less than one year; 6163

(ii) The affiliate either displays goods and offers them 6164  
for retail sale at the affiliate's business premises or offers 6165  
services for sale and provides them at the affiliate's business 6166  
premises; 6167

(iii) At least fifty-one per cent of the affiliate's gross 6168  
dollar volume of retail sales involves purchases of goods or 6169

services at the affiliate's business premises. 6170

(c) A person that, for a period of less than one year, has 6171  
been operating a retail business in this state under the same 6172  
name as that used in connection with telephone solicitation, as 6173  
long as all of the following requirements are met: 6174

(i) The person either displays goods and offers them for 6175  
retail sale at the person's business premises or offers services 6176  
for sale and provides them at the person's business premises; 6177

(ii) The goods or services that are the subject of 6178  
telephone solicitation are sold at the person's business 6179  
premises, and at least sixty-five per cent of the person's gross 6180  
dollar volume of retail sales involves purchases of goods or 6181  
services at the person's business premises; 6182

(iii) The person conducts all telephone solicitation 6183  
activities according to sections 310.3, 310.4, and 310.5 of the 6184  
telemarketing sales rule adopted by the federal trade commission 6185  
in 16 C.F.R. part 310. 6186

(19) A person who performs telephone solicitation sales 6187  
services on behalf of other persons and to whom one of the 6188  
following applies: 6189

(a) The person has operated under the same ownership, 6190  
control, and business name for at least five years, and the 6191  
person receives at least seventy-five per cent of its gross 6192  
revenues from written telephone solicitation contracts with 6193  
persons who come within one of the exemptions in division (B) of 6194  
this section. 6195

(b) The person is an affiliate of one or more exempt 6196  
persons and makes telephone solicitations on behalf of only the 6197  
exempt persons of which it is an affiliate. 6198

(c) The person makes telephone solicitations on behalf of 6199  
only exempt persons, the person and each exempt person on whose 6200  
behalf telephone solicitations are made have entered into a 6201  
written contract that specifies the manner in which the 6202  
telephone solicitations are to be conducted and that at a 6203  
minimum requires compliance with the telemarketing sales rule 6204  
adopted by the federal trade commission in 16 C.F.R. part 310, 6205  
and the person conducts the telephone solicitations in the 6206  
manner specified in the written contract. 6207

(d) The person performs telephone solicitation for 6208  
religious or political purposes, a charitable organization, a 6209  
fund-raising council, or a professional solicitor in compliance 6210  
with the registration and reporting requirements of Chapter 6211  
1716. of the Revised Code; and meets all of the following 6212  
requirements: 6213

(i) The person has operated under the same ownership, 6214  
control, and business name for at least five years, and the 6215  
person receives at least fifty-one per cent of its gross 6216  
revenues from written telephone solicitation contracts with 6217  
persons who come within the exemption in division (B) (2) of this 6218  
section; 6219

(ii) The person does not conduct a prize promotion or 6220  
offer the sale of an investment opportunity; 6221

(iii) The person conducts all telephone solicitation 6222  
activities according to sections 310.3, 310.4, and 310.5 of the 6223  
telemarketing sales rules adopted by the federal trade 6224  
commission in 16 C.F.R. part 310. 6225

(20) A person that is a licensed real estate salesperson 6226  
or broker under Chapter 4735. of the Revised Code when 6227

soliciting within the scope of the person's license; 6228

(21) (a) Either of the following: 6229

(i) A publisher that solicits the sale of the publisher's 6230  
periodical or magazine of general, paid circulation, or a person 6231  
that solicits a sale of that nature on behalf of a publisher 6232  
under a written agreement directly between the publisher and the 6233  
person. 6234

(ii) A publisher that solicits the sale of the publisher's 6235  
periodical or magazine of general, paid circulation, or a person 6236  
that solicits a sale of that nature as authorized by a publisher 6237  
under a written agreement directly with a publisher's 6238  
clearinghouse provided the person is a resident of Ohio for more 6239  
than three years and initiates all telephone solicitations from 6240  
Ohio and the person conducts the solicitation and sale in 6241  
compliance with 16 C.F.R. part 310, as adopted by the federal 6242  
trade commission. 6243

(b) As used in division (B) (21) of this section, 6244  
"periodical or magazine of general, paid circulation" excludes a 6245  
periodical or magazine circulated only as part of a membership 6246  
package or given as a free gift or prize from the publisher or 6247  
person. 6248

(22) A person that solicits the sale of food, as defined 6249  
in section 3715.01 of the Revised Code, or the sale of products 6250  
of horticulture, as defined in section 5739.01 of the Revised 6251  
Code, if the person does not intend the solicitation to result 6252  
in, or the solicitation actually does not result in, a sale that 6253  
costs the purchaser an amount greater than five hundred dollars. 6254

(23) A funeral director licensed pursuant to Chapter 4717. 6255  
of the Revised Code when soliciting within the scope of that 6256

license, if both of the following apply: 6257

(a) The solicitation and sale are conducted in compliance 6258  
with 16 C.F.R. part 453, as adopted by the federal trade 6259  
commission, and with sections 1107.33 and 1345.21 to 1345.28 of 6260  
the Revised Code; 6261

(b) The person provides to the purchaser of any preneed 6262  
funeral contract a notice that clearly and conspicuously sets 6263  
forth the cancellation rights specified in division (G) of 6264  
section 1107.33 of the Revised Code, and retains a copy of the 6265  
notice signed by the purchaser. 6266

(24) A person, or affiliate thereof, licensed to sell or 6267  
issue Ohio instruments designated as travelers checks pursuant 6268  
to sections 1315.01 to 1315.18 of the Revised Code. 6269

(25) A person that solicits sales from its previous 6270  
purchasers and meets all of the following requirements: 6271

(a) The solicitation is made under the same business name 6272  
that was previously used to sell goods or services to the 6273  
purchaser; 6274

(b) The person has, for a period of not less than three 6275  
years, operated a business under the same business name as that 6276  
used in connection with telephone solicitation; 6277

(c) The person does not conduct a prize promotion or offer 6278  
the sale of an investment opportunity; 6279

(d) The person conducts all telephone solicitation 6280  
activities according to sections 310.3, 310.4, and 310.5 of the 6281  
telemarketing sales rules adopted by the federal trade 6282  
commission in 16 C.F.R. part 310; 6283

(e) Neither the person nor any of its principals has been 6284

convicted of, pleaded guilty to, or has entered a plea of no 6285  
contest for a felony or a theft offense as defined in sections 6286  
2901.02 and 2913.01 of the Revised Code or similar law of 6287  
another state or of the United States; 6288

(f) Neither the person nor any of its principals has had 6289  
entered against them an injunction or a final judgment or order, 6290  
including an agreed judgment or order, an assurance of voluntary 6291  
compliance, or any similar instrument, in any civil or 6292  
administrative action involving engaging in a pattern of corrupt 6293  
practices, fraud, theft, embezzlement, fraudulent conversion, or 6294  
misappropriation of property; the use of any untrue, deceptive, 6295  
or misleading representation; or the use of any unfair, 6296  
unlawful, deceptive, or unconscionable trade act or practice. 6297

(26) An institution defined as a home health agency in 6298  
section 3701.881 of the Revised Code, that conducts all 6299  
telephone solicitation activities according to sections 310.3, 6300  
310.4, and 310.5 of the telemarketing sales rules adopted by the 6301  
federal trade commission in 16 C.F.R. part 310, and engages in 6302  
telephone solicitation only within the scope of the 6303  
institution's certification, accreditation, contract with the 6304  
department of aging, or status as a home health agency; and that 6305  
meets one of the following requirements: 6306

(a) The institution is certified as a provider of home 6307  
health services under Title XVIII of the Social Security Act, 49 6308  
Stat. 620, 42 U.S.C. 301, as amended; 6309

(b) The institution is accredited by either the joint 6310  
commission on accreditation of health care organizations or the 6311  
community health accreditation program; 6312

(c) The institution is providing PASSPORT services under 6313



the direction of the department of aging under sections 173.52 6314  
to 173.523 of the Revised Code; 6315

(d) An affiliate of an institution that meets the 6316  
requirements of division (B) (26) (a), (b), or (c) of this section 6317  
when offering for sale substantially the same goods and services 6318  
as those that are offered by the institution that meets the 6319  
requirements of division (B) (26) (a), (b), or (c) of this 6320  
section. 6321

(27) A person licensed by the department of health 6322  
pursuant to section 3712.04 or 3712.041 of the Revised Code to 6323  
provide a hospice care program or pediatric respite care program 6324  
when conducting telephone solicitations within the scope of the 6325  
person's license and according to sections 310.3, 310.4, and 6326  
310.5 of the telemarketing sales rules adopted by the federal 6327  
trade commission in 16 C.F.R. part 310. 6328

**Sec. 4728.11.** This chapter does not apply to any of the 6329  
following: 6330

(A) Any purchase of an article that is made of or contains 6331  
gold, silver, platinum, or other precious metals or jewels of 6332  
any description if both the buyer and seller, or the respective 6333  
agents, brokers, or other intermediaries of both the buyer and 6334  
seller, deal in such articles or otherwise by their respective 6335  
occupations, or by their respective avocations as collectors, 6336  
speculators, or investors, hold themselves out as having 6337  
knowledge or skill peculiar to such articles or the practices 6338  
involved in their purchase or sale; 6339

(B) Licensees who obtain licenses under sections 1321.01 6340  
to 1321.19 of the Revised Code ~~or~~, registrants who obtain 6341  
certificates of registration under sections 1321.51 to 1321.60 6342

of the Revised Code, or persons registered as mortgage lenders 6343  
under Chapter 1322. of the Revised Code; 6344

(C) National banks, state banks, credit unions, or savings 6345  
and loan associations; 6346

(D) The holder of a salvage motor vehicle dealer's license 6347  
under Chapter 4738. of the Revised Code who purchases or sells 6348  
precious metal which, in its original form, is a motor vehicle 6349  
component part, or a scrap metal processor subject to Chapter 6350  
4737. of the Revised Code; 6351

(E) Any purchase of silverware or an article of jewelry 6352  
made of or containing gold, silver, platinum, or other precious 6353  
metals or jewels that is made by a person who complies with all 6354  
of the following: 6355

(1) The person is engaged in the business of selling, at 6356  
retail, articles of jewelry and silverware; 6357

(2) The person holds a valid vendor's license issued under 6358  
section 5739.17 of the Revised Code; 6359

(3) The person maintains a fixed place of business in this 6360  
state at which the person regularly exhibits articles of jewelry 6361  
and silverware that are for sale at retail; 6362

(4) The person establishes to the satisfaction of the 6363  
superintendent of financial institutions or the chief or head of 6364  
the local police department, upon their request, that the 6365  
person's purchases of silverware and articles of jewelry that 6366  
are made of or contain gold, silver, platinum, or other precious 6367  
metals or jewels are incidental to the person's primary business 6368  
as described in division (E) (1) of this section. Such purchases 6369  
are "incidental" if: 6370

(a) In the case of a person who has been in business for 6371  
less than one year, the average monthly value of the person's 6372  
purchases of jewelry from the public represents less than 6373  
twenty-five per cent of the person's total inventory of articles 6374  
of jewelry held for sale at retail to the public, as computed 6375  
under section 5711.15 of the Revised Code; 6376

(b) In the case of a person who has been in business for 6377  
at least one year, the total value of the person's purchases of 6378  
jewelry from the public represents less than twenty-five per 6379  
cent of the person's total retail sales of articles of jewelry 6380  
to the public during the immediately preceding year; 6381

(c) The purchases are of items described in division (F) 6382  
of this section. 6383

(F) Any purchase of coins, hallmark bars, registered 6384  
ingots, and other items as numismatic objects, and not for their 6385  
content of precious metals. 6386

(G) Any purchase made under the supervision of a probate 6387  
court from the estate of a decedent as provided under section 6388  
2113.40 of the Revised Code. 6389

(H) Except as specified in division (B) of section 4728.02 6390  
of the Revised Code, any person licensed under Chapter 4727. of 6391  
the Revised Code. 6392

**Sec. 4735.05.** (A) The Ohio real estate commission is a 6393  
part of the department of commerce for administrative purposes. 6394  
The director of commerce is ex officio the executive officer of 6395  
the commission, or the director may designate any employee of 6396  
the department as superintendent of real estate and professional 6397  
licensing to act as executive officer of the commission. 6398

The commission and the real estate appraiser board created 6399

pursuant to section 4763.02 of the Revised Code shall each 6400  
submit to the director a list of three persons whom the 6401  
commission and the board consider qualified to be superintendent 6402  
within sixty days after the office of superintendent becomes 6403  
vacant. The director shall appoint a superintendent from the 6404  
lists submitted by the commission and the board, and the 6405  
superintendent shall serve at the pleasure of the director. 6406

(B) The superintendent, except as otherwise provided, 6407  
shall do all of the following in regard to this chapter: 6408

(1) Administer this chapter; 6409

(2) Issue all orders necessary to implement this chapter; 6410

(3) Investigate complaints concerning the violation of 6411  
this chapter or the conduct of any licensee; 6412

(4) Establish and maintain an investigation and audit 6413  
section to investigate complaints and conduct inspections, 6414  
audits, and other inquiries as in the judgment of the 6415  
superintendent are appropriate to enforce this chapter. The 6416  
investigators or auditors have the right to review and audit the 6417  
business records of licensees and continuing education course 6418  
providers during normal business hours. 6419

(5) Appoint a hearing examiner for any proceeding 6420  
involving disciplinary action under section 3123.47, 4735.052, 6421  
or 4735.18 of the Revised Code; 6422

(6) Administer the real estate recovery fund. 6423

(C) The superintendent may do all of the following: 6424

(1) In connection with investigations and audits under 6425  
division (B) of this section, subpoena witnesses as provided in 6426  
section 4735.04 of the Revised Code; 6427

(2) Apply to the appropriate court to enjoin any violation 6428  
of this chapter. Upon a showing by the superintendent that any 6429  
person has violated or is about to violate any provision of this 6430  
chapter, the court shall grant an injunction, restraining order, 6431  
or other appropriate order. 6432

(3) Upon the death of a licensed broker or the revocation 6433  
or suspension of the broker's license, if there is no other 6434  
licensed broker within the business entity of the broker, 6435  
appoint upon application by any interested party, or, in the 6436  
case of a deceased broker, subject to the approval by the 6437  
appropriate probate court, recommend the appointment of, an 6438  
ancillary trustee who is qualified as determined by the 6439  
superintendent to conclude the business transactions of the 6440  
deceased, revoked, or suspended broker; 6441

(4) In conjunction with the enforcement of this chapter, 6442  
when the superintendent of real estate has reasonable cause to 6443  
believe that an applicant or licensee has committed a criminal 6444  
offense, the superintendent of real estate may request the 6445  
superintendent of the bureau of criminal identification and 6446  
investigation to conduct a criminal records check of the 6447  
applicant or licensee. The superintendent of the bureau of 6448  
criminal identification and investigation shall obtain 6449  
information from the federal bureau of investigation as part of 6450  
the criminal records check of the applicant or licensee. The 6451  
superintendent of real estate may assess the applicant or 6452  
licensee a fee equal to the fee assessed for the criminal 6453  
records check. 6454

(5) In conjunction with the enforcement of this chapter, 6455  
issue advisory letters in lieu of initiating disciplinary action 6456  
under section 4735.051 or 4735.052 of the Revised Code or 6457

issuing a citation under section 4735.16 or 4735.181 of the 6458  
Revised Code. 6459

(D) All information that is obtained by investigators and 6460  
auditors performing investigations or conducting inspections, 6461  
audits, and other inquiries pursuant to division (B)(4) of this 6462  
section, from licensees, complainants, or other persons, and all 6463  
reports, documents, and other work products that arise from that 6464  
information and that are prepared by the investigators, 6465  
auditors, or other personnel of the department, shall be held in 6466  
confidence by the superintendent, the investigators and 6467  
auditors, and other personnel of the department. Notwithstanding 6468  
division (D) of section 2317.023 of the Revised Code, all 6469  
information obtained by investigators or auditors from an 6470  
informal mediation meeting held pursuant to section 4735.051 of 6471  
the Revised Code, including but not limited to the agreement to 6472  
mediate and the accommodation agreement, shall be held in 6473  
confidence by the superintendent, investigators, auditors, and 6474  
other personnel of the department. 6475

(E) This section does not prevent the division of real 6476  
estate and professional licensing from releasing information 6477  
relating to licensees to the superintendent of financial 6478  
institutions for purposes relating to the administration of 6479  
~~sections 1322.01 to 1322.12 Chapter 1322.~~ of the Revised Code, 6480  
to the superintendent of insurance for purposes relating to the 6481  
administration of Chapter 3953. of the Revised Code, to the 6482  
attorney general, or to local law enforcement agencies and local 6483  
prosecutors. Information released by the division pursuant to 6484  
this section remains confidential. 6485

**Sec. 4763.03.** (A) In addition to any other duties imposed 6486  
on the real estate appraiser board under this chapter, the board 6487

shall: 6488

(1) Adopt rules, in accordance with Chapter 119. of the 6489  
Revised Code, in furtherance of this chapter, including, but not 6490  
limited to, all of the following: 6491

(a) Defining, with respect to state-certified general real 6492  
estate appraisers, state-certified residential real estate 6493  
appraisers, and state-licensed residential real estate 6494  
appraisers, the type of educational experience, appraisal 6495  
experience, and other equivalent experience that satisfy the 6496  
requirements of this chapter. The rules shall require that all 6497  
appraisal experience performed after January 1, 1996, meet the 6498  
uniform standards of professional practice established by the 6499  
appraisal foundation. 6500

(b) Establishing the examination specifications for state- 6501  
certified general real estate appraisers, state-certified 6502  
residential real estate appraisers, and state-licensed 6503  
residential real estate appraisers; 6504

(c) Relating to disciplinary proceedings conducted in 6505  
accordance with section 4763.11 of the Revised Code, including 6506  
rules governing the reinstatement of certificates, 6507  
registrations, and licenses that have been suspended pursuant to 6508  
those proceedings; 6509

(d) Identifying any additional information to be included 6510  
on the forms specified in division (C) of section 4763.12 of the 6511  
Revised Code, provided that the rules shall not require any less 6512  
information than is required in that division; 6513

(e) Establishing the fees set forth in section 4763.09 of 6514  
the Revised Code; 6515

(f) Establishing the amount of the assessment required by 6516

division (A) (2) of section 4763.05 of the Revised Code. The 6517  
board annually shall determine the amount due from each 6518  
applicant for an initial certificate, registration, and license 6519  
in an amount that will maintain the real estate appraiser 6520  
recovery fund at the level specified in division (A) of section 6521  
4763.16 of the Revised Code. The board may, if the fund falls 6522  
below that amount, require current certificate holders, 6523  
registrants, and licensees to pay an additional assessment. 6524

(g) Defining the educational requirements pursuant to 6525  
division (C) of section 4763.05 of the Revised Code; 6526

(h) Establishing a real estate appraiser assistant program 6527  
for the registration of real estate appraiser assistants. 6528

(2) Prescribe by rule the requirements for the 6529  
examinations required by division (D) of section 4763.05 of the 6530  
Revised Code; 6531

(3) Periodically review the standards for the development 6532  
and reporting of appraisal reports provided in this chapter and 6533  
adopt rules explaining and interpreting those standards; 6534

(4) Hear appeals, pursuant to Chapter 119. of the Revised 6535  
Code, from decisions and orders the superintendent of real 6536  
estate issues pursuant to this chapter; 6537

(5) Request the initiation by the superintendent of 6538  
investigations of violations of this chapter or the rules 6539  
adopted pursuant thereto, as the board determines appropriate; 6540

(6) Determine the appropriate disciplinary actions to be 6541  
taken against certificate holders, registrants, and licensees 6542  
under this chapter as provided in section 4763.11 of the Revised 6543  
Code. 6544



(B) In addition to any other duties imposed on the 6545  
superintendent of real estate under this chapter, the 6546  
superintendent shall: 6547

(1) Prescribe the form and content of all applications 6548  
required by this chapter; 6549

(2) Receive applications for certifications, 6550  
registrations, and licenses and renewal thereof under this 6551  
chapter and establish the procedures for processing, approving, 6552  
and disapproving those applications; 6553

(3) Retain records and all application materials submitted 6554  
to the superintendent; 6555

(4) Establish the time and place for conducting the 6556  
examinations required by division (D) of section 4763.05 of the 6557  
Revised Code; 6558

(5) Issue certificates, registrations, and licenses and 6559  
maintain a register of the names and addresses of all persons 6560  
issued a certificate, registration, or license under this 6561  
chapter; 6562

(6) Perform any other functions and duties, including the 6563  
employment of staff, necessary to administer this chapter; 6564

(7) Administer this chapter; 6565

(8) Issue all orders necessary to implement this chapter; 6566

(9) Investigate complaints, upon the superintendent's own 6567  
motion or upon receipt of a complaint or upon a request of the 6568  
board, concerning any violation of this chapter or the rules 6569  
adopted pursuant thereto or the conduct of any person holding a 6570  
certificate, registration, or license issued pursuant to this 6571  
chapter; 6572

(10) Establish and maintain an investigation and audit 6573  
section to investigate complaints and conduct inspections, 6574  
audits, and other inquiries as in the judgment of the 6575  
superintendent are appropriate to enforce this chapter. The 6576  
investigators and auditors have the right to review and audit 6577  
the business records of certificate holders, registrants, and 6578  
licensees during normal business hours. The superintendent may 6579  
utilize the investigators and auditors employed pursuant to 6580  
division (B) (4) of section 4735.05 of the Revised Code or 6581  
currently licensed certificate holders or licensees to assist in 6582  
performing the duties of this division. 6583

(11) Appoint a referee or examiner for any proceeding 6584  
involving the disciplinary action of a certificate holder, 6585  
licensee, or registrant under section 4763.11 of the Revised 6586  
Code; 6587

(12) Administer the real estate appraiser recovery fund; 6588

(13) Conduct the examinations required by division (D) of 6589  
section 4763.05 of the Revised Code at least four times per 6590  
year. 6591

(C) The superintendent may do all of the following: 6592

(1) In connection with investigations and audits under 6593  
division (B) of this section, subpoena witnesses as provided in 6594  
section 4763.04 of the Revised Code; 6595

(2) Apply to the appropriate court to enjoin any violation 6596  
of this chapter. Upon a showing by the superintendent that any 6597  
person has violated or is about to violate this chapter, the 6598  
court shall grant an injunction, restraining order, or other 6599  
appropriate relief, or any combination thereof. 6600

(D) All information that is obtained by investigators and 6601

auditors performing investigations or conducting inspections, 6602  
audits, and other inquiries pursuant to division (B)(10) of this 6603  
section, from certificate holders, registrants, licensees, 6604  
complainants, or other persons, and all reports, documents, and 6605  
other work products that arise from that information and that 6606  
are prepared by the investigators, auditors, or other personnel 6607  
of the department of commerce, shall be held in confidence by 6608  
the superintendent, the investigators and auditors, and other 6609  
personnel of the department. 6610

(E) This section does not prevent the division of real 6611  
estate and professional licensing from releasing information 6612  
relating to certificate holders, registrants, and licensees to 6613  
the superintendent of financial institutions for purposes 6614  
relating to the administration of ~~sections 1322.01 to 1322.12~~ 6615  
Chapter 1322. of the Revised Code, to the superintendent of 6616  
insurance for purposes relating to the administration of Chapter 6617  
3953. of the Revised Code, to the attorney general, or to local 6618  
law enforcement agencies and local prosecutors. Information 6619  
released by the division pursuant to this section remains 6620  
confidential. 6621

(F) Any rule the board adopts shall not exceed the 6622  
requirements specified in federal law or regulations. 6623

**Section 2.** That existing sections 9.02, 109.572, 1181.21, 6624  
1181.25, 1315.21, 1319.12, 1321.02, 1321.51, 1321.52, 1321.53, 6625  
1321.531, 1321.532, 1321.54, 1321.55, 1321.551, 1321.57, 6626  
1321.58, 1321.59, 1321.593, 1321.60, 1321.72, 1321.99, 1322.01, 6627  
1322.02, 1322.021, 1322.023, 1322.024, 1322.025, 1322.03, 6628  
1322.031, 1322.04, 1322.041, 1322.042, 1322.043, 1322.05, 6629  
1322.051, 1322.052, 1322.06, 1322.061, 1322.065, 1322.07, 6630  
1322.072, 1322.073, 1322.074, 1322.075, 1322.081, 1322.09, 6631

1322.10, 1322.101, 1322.11, 1322.12, 1322.99, 1329.71, 1335.02, 6632  
1345.01, 1349.27, 1349.43, 1349.44, 1349.45, 1349.99, 2923.31, 6633  
4712.01, 4719.01, 4728.11, 4735.05, and 4763.03 and sections 6634  
1321.521, 1321.533, 1321.534, 1321.535, 1321.536, 1321.537, 6635  
1321.538, 1321.552, 1321.592, 1321.594, 1322.022, 1322.062, 6636  
1322.063, 1322.064, 1322.071, and 1322.08 of the Revised Code 6637  
are hereby repealed. 6638

**Section 3.** (A) Sections 1 and 2 of this act shall take 6639  
effect on July 1, 2017. 6640

(B) Beginning on the effective date of this section, the 6641  
Superintendent of Financial Institutions may take whatever 6642  
actions the Superintendent considers necessary to ensure full 6643  
compliance with this act by July 1, 2017. 6644

(C) Persons holding a valid mortgage lender certificate of 6645  
registration or mortgage loan originator license issued under 6646  
sections 1321.51 to 1321.60 of the Revised Code as of July 1, 6647  
2017, and persons holding a valid mortgage broker certificate of 6648  
registration or loan originator license issued under Chapter 6649  
1322. of the Revised Code as of July 1, 2017, shall not be 6650  
required to be registered or licensed under section 1322.07 or 6651  
1322.20 of the Revised Code, as amended by this act, until the 6652  
first renewal of that certificate of registration or license 6653  
after July 1, 2017. 6654

**Section 4.** The General Assembly, applying the principle 6655  
stated in division (B) of section 1.52 of the Revised Code that 6656  
amendments are to be harmonized if reasonably capable of 6657  
simultaneous operation, finds that the following sections, 6658  
presented in this act as composites of the sections as amended 6659  
by the acts indicated, are the resulting versions of the 6660  
sections in effect prior to the effective date of the sections 6661

as presented in this act:	6662
Section 109.572 of the Revised Code as amended by both	6663
Sub. H.B. 523 and Am. Sub. S.B. 227 of the 132nd General	6664
Assembly.	6665
Sections 1322.03 and 1322.031 of the Revised Code as	6666
amended by Am. Sub. H.B. 487 of the 129th General Assembly and	6667
Am. Sub. H.B. 483 of the 130th General Assembly.	6668
Section 2923.31 of the Revised Code as amended by both Am.	6669
Sub. H.B. 386 and Am. Sub. H.B. 262 of the 129th General	6670
Assembly.	6671