



Ohio Administrative Code Rule 1301:8-7-12 Operations manager.

Effective: September 1, 2024

(A) A registrant shall grant sufficient authority to its operations manager to carry out the duty of ensuring that the daily operations and management of the registrant's business complies with all state and federal laws, rules, and regulations applicable to the transaction of mortgage broker business.

(B) Only one individual may be designated as operations manager regardless of the number of registered office locations or employees.

(C) No individual shall act as an operations manager without being approved by the superintendent. An individual may be designated to act as an operations manager subject to the superintendent's approval. The registrant shall submit a completed "Application to change Mortgage Broker Operations Manager" form to the superintendent within ten business days of the designation.

(D) To qualify for approval as an operations manager, the superintendent shall find that the individual possesses at least three years of experience in the mortgage and lending field that complies with paragraph (F) of this rule.

(E) For purposes of demonstrating compliance with paragraph (D) of this rule and division (B) of section 1322.12 of the Revised Code, a registrant shall, along with the application referenced in paragraph (C) of this rule, submit satisfactory proof of experience for the individual designated to act as operations manager. Such proof may include the following:

- (1) A current resume;
- (2) Copies of IRS form W-2s for the tax years covering the experience requirement; and
- (3) A completed and signed release and authorization which enables the superintendent to verify the W-2s.



The experience requirement in division (B) of section 1322.12 of the Revised Code may be verified by the division directly with the employer and tax authorities. The superintendent may request any additional documents or information that may be necessary to verify the experience requirement.

(F) For purposes of paragraph (D) of this rule and division (B) of section 1322.12 of the Revised Code, the three years, or thirty-six months, of experience shall have been gained lawfully within the six years preceding request for approval, but does not need to have been gained during consecutive months. The division counts each month toward the three year requirement. A fractional month of experience, at least twenty days long, qualifies as a full month. The experience may have been gained by directly soliciting, processing, placing and negotiating residential mortgage loans for or as a mortgage broker, or with a financial institution, mortgage lending institution, or other lending institution. The individual should have had direct contact and interaction with borrowers during all phases of making or brokering residential mortgage loans, and not compartmentalized experience in one phase of the process. Experience in all phases of processing, underwriting and closing or operations management is acceptable. Other experience related specifically to the business of residential mortgage lending may qualify, but will not include the following types of employment:

- (1) Real estate salesperson or broker;
- (2) Real estate appraiser;
- (3) Real estate developer or contractor;
- (4) Real estate owner or investor;
- (5) Commercial or consumer lender;
- (6) Title or escrow agent, owner or company;
- (7) Certified public accountant, public accountant, accountant, controller, comptroller, or fiscal officer;
- (8) Certified financial planner or similar designation;



- (9) Professor, teacher, or presenter of classes, courses, or seminars regarding mortgage lending;
 - (10) Board member or senior officer of a financial or mortgage lending institution;
 - (11) Shareholder, partner, or member of a financial or mortgage lending institution;
 - (12) Insurance salesperson or broker;
 - (13) Securities salesperson, broker, or principal;
 - (14) Department store credit department, including retail and wholesale stores;
 - (15) School, college, or university credit or student loan department;
 - (16) Automobile, motorcycle, boat, or recreational vehicle dealer credit department.
 - (17) Mobile home or manufactured housing lending or credit department, unless acting as a licensed loan originator or mortgage loan originator.
- (G) Any individual who wishes to present experience or education which is not in accord with paragraphs (E) and (F) of this rule may petition the superintendent to consider alternative education or experience which the individual reasonably believes would satisfy the experience requirement. Such petition should include documentation of the experience at issue and a detailed explanation of its relationship to residential mortgage lending activities. The determination of whether to accept alternative education or experience is within the sole discretion of the superintendent.
- (H) An individual designated as operations manager shall have passed the written test administered to mortgage loan originators. No separate written test for operations managers is required.