

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

In the matter of:)	Case No. M2008-36
)	
ENTRUST MORTGAGE, INC.)	DIVISION ORDER
304 Inverness Way S., Suite 405)	Mortgage Loan Act Registration Revocation
Englewood, CO 80112)	&
)	Notice of Appellate Rights

WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division") and charged with the responsibility of administering and enforcing the Ohio Mortgage Loan Act, as codified in Ohio Revised Code ("R.C.") Chapter 1321, the Division finds that this Order is necessary and appropriate, in the interest of the public, and is consistent with the purposes of the Ohio Mortgage Loan Act; and

WHEREAS, Entrust Mortgage, Inc. ("Respondent") is a company that held a certificate of registration to engage in business as a second mortgage lender pursuant to R.C. Chapter 1321; and

WHEREAS, on January 23, 2008, the Division issued Respondent a Notice which informed it that the Division had conducted an investigation of Respondent pursuant to R.C. 1321.54(C) and, as a result thereof, alleged that:

- A. In accordance with R.C. 1321.54(B), the superintendent of the Division may revoke a second mortgage lender's certificate of registration if the superintendent finds that the registrant has committed a violation of the Ohio Mortgage Loan Act, and continued to do so despite being put on notice of the violation.
- B. R.C. 1321.53(A)(1) requires every foreign business entity registered as a second mortgage lender in the State of Ohio to maintain a license or registration with the Ohio Secretary of State in order to transact business in this state.
- C. R.C. 5733.20 requires the Ohio Secretary of State to cancel a corporation's Articles of Incorporation upon certification by the Ohio Department of Taxation of such corporation's failure to file a return or failure to pay the appropriate tax or fee.
- D. R.C. 5733.20 provides that, upon cancellation, "all the powers, privileges, and franchises conferred upon such corporation by such articles of incorporation or by such certificate of authority shall cease," subject to R.C. 1701.88, which proscribes that the corporation "shall cease to carry on business and shall do only such acts as are required to wind up its affairs, or to obtain reinstatement..."
- E. On or about July 26, 2007, Respondent was notified by the Ohio Secretary of State that the Secretary had cancelled the Articles of Incorporation/Certificate of Authority issued to Respondent, in accordance with R.C. 5733.20, due to Respondent's nonpayment of the corporate franchise tax within the time required by law.

- F. As of the date of the Notice, the Respondent's Articles of Incorporation/Certificate of Authority were still cancelled, and the Respondent has failed to correct the violation of R.C. 1321.53(A)(1).
- G. As of July 26, 2007, Respondent is no longer authorized to conduct business in the State of Ohio.
- H. As a result of the findings listed above, the Division has determined that Respondent's Ohio Mortgage Loan Act registration should be REVOKED, pursuant to R.C. 1321.54(B).

WHEREAS, the Notice informed Respondent of the Division's intent to revoke Respondent's certificate of registration and of the opportunity for a hearing regarding the revocation if requested within thirty days from the mailing of the Notice. The Notice further cautioned Respondent that if the Ohio Division of Financial Institutions did not receive a written request for a hearing in its offices within thirty (30) days of the mailing of the Notice, the Superintendent would issue an order revoking Respondent's certificate of registration;

WHEREAS, the Division was unable to obtain service upon Respondent at the address Respondent provided, and the Division published the Notice in accordance with R.C. Chapter 119 in the *The Englewood Herald* for three (3) consecutive weeks;

WHEREAS, the Division finds that the allegations contained in the Notice are true and that Respondent's mortgage loan act certificate of registration should be revoked;

Respondent Entrust Mortgage, Inc.'s certificate of registration is hereby revoked.

It is so ordered.

NOTICE OF RIGHT TO APPEAL

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

Signed and sealed this 1st day of May, 2008.

LEIGH A. WILLIS

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