

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

In the matter of:)	Case No. M2010-14
)	
MICHAEL J. RUDOLPH)	<u>DIVISION ORDER</u>
2247 Pine Tree Lane)	Refusal to Issue Loan Officer License
Twinsburg, OH 44087)	&
)	Notice of Appellate Rights

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

WHEREAS, Michael J. Rudolph ("Respondent") applied to the Division for a loan officer license pursuant to R.C. Chapter 1322; and

WHEREAS, on April 7, 2010, the Division issued Respondent a Notice which informed Respondent that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

1. On or about August 26, 2004, Respondent's insurance agent license was revoked by the Ohio Department of Insurance for engaging in a "fraudulent, dishonest, or coercive practice in connection with the business of insurance, pursuant to former Ohio Revised Code section 3905.49(B)(18)." The violation stemmed from Respondent's investing clients' money in pay telephone units in violation of the Ohio Securities Act. (See Paragraph (3) below.)
2. On or about June 17, 2002, Respondent was suspended for one year and fined \$90,000 by the National Association of Securities Dealers (NASD) because he engaged in outside business activities for compensation without providing his member firm with prompt written notice that he was doing so.
3. On or about January 18, 2002, Respondent entered into a consent agreement accompanied by a Cease and Desist order issued by the Ohio Division of Securities. In the consent agreement, Respondent consented, stipulated and agreed to the findings, conclusions and orders set forth in the order, which cited him for selling securities not recorded on the regular books or records of the dealer he was affiliated with, as well as selling unregistered securities, in violation of Ohio Administrative Code rule 1301:6-3-19(A)(19) and R.C. 1707.44(C)(1), respectively. These violations were related to Respondent's actions noted in Paragraph (1) above.
4. On or about November 24, 2009, the Division issued a Denial of Loan Officer License Application to Respondent because, in 2008, he failed to comply with R.C. 1322.052, which requires loan officers to complete six hours of continuing education during every calendar year they are licensed.

5. In February 2008, Respondent incurred a federal tax lien in the amount of \$13,017.
6. Based on the Division's findings set forth in the foregoing Paragraphs, Respondent's character and general fitness do not command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of sections 1322.01 to 1322.12 of the Ohio Revised Code, as required by R.C. 1322.041(A)(6).
7. Because Respondent does not meet the requirements of R.C. 1322. 041(A)(6), the Division is authorized under R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license.

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

WHEREAS, the Notice was mailed to Respondent, via certified mail, on April 7, 2010, and service was perfected;

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

WHEREAS, the Division finds that the allegations contained in the Notice are true and that the Division should refuse to issue Respondent a loan officer license;

The Division hereby REFUSES to issue Respondent Michael J. Rudolph a loan officer license.

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 17th day of August, 2010.

LEIGH A. WILLIS

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