

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

In the matter of:)	Case No. M2008-412
)	
RODNEY T. RIDDLE)	Notice of Intent to Deny Loan Officer License
11440 Gideon Lane)	Application and Impose a Fine
Cincinnati, Ohio 45249)	&
)	Notice of Opportunity for a Hearing
)	

JURISDICTION

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, codified in Ohio Revised Code ("R.C.") Chapter 1322. In accordance therewith, the Division is accountable for the licensing of individuals as residential mortgage loan officers.

RESPONDENT

RODNEY T. RIDDLE ("Respondent") has applied to the Division for a loan officer license. His address of record is 11440 Gideon Lane, Cincinnati, Ohio 45249, and his date of birth is April 18, 1962. Respondent's employer of record is Homestead Mortgage Services, Inc., 925 Deis Drive, Fairfield, Ohio 45014.

NOTICE OF PROPOSED ACTION

In accordance with sections 1322.041 and 1322.10 of the R.C., and R.C. Chapter 119, the Division intends to DENY Respondent's loan officer license application and to impose a FINE of two thousand five hundred dollars (\$2,500.00).

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation, pursuant to R.C. 1322.031(B), and has found the following:

- I. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license if the Division finds that the licensee or applicant has violated or failed "to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted[.]"
- II. The Division is authorized by R.C. 1322.10(A)(2) to "[i]mpose of fine of not more than one thousand dollars, for each day a violation of law or rule is committed, repeated or continued. If the registrant or licensee engages in a pattern of repeated violations of law or rule, the Division may impose a fine of not more than two thousand dollars for each day the violation is committed, repeated, or continued."
- III. On October 8, 2004, the Division received a loan officer license application from Respondent. He attested to the truthfulness and accuracy of the information in the application.

- IV. Question number 7 of the loan officer license application asked the following:
- “Have you filed for personal bankruptcy or have you ever been a director, an officer, or more than 5% shareholder, a partner or a joint venturer in any business enterprise which has been insolvent or filed for protection from its creditors” If the answer is yes, furnish details.”
- V. Respondent marked “Yes” and furnished the following details:
“I lost my job in 1996. I filed for bankruptcy, but I withdrew from it, and worked out my bills.”
- VI. On October 14, 2004, the Division issued a loan officer license to Respondent which expired by operation of law on January 12, 2004.
- VII. On February 16, 2005, the Division received another loan officer license application from Respondent. Question number 7 of the loan officer application asked the same question as that listed in paragraph IV above.
- VIII. Respondent marked “No.” Respondent failed to disclose that he had filed for personal bankruptcy in 1997 and 1998. Respondent attested in a sworn statement that information he provided on this licensing application was truthful, when it was not.
- IX. The Division failed to notice the discrepancy and issued a loan officer license to Respondent on February 25, 2005.
- X. Respondent did not submit an annual renewal application in 2007 to renew his loan officer license.
- XI. On May 2, 2008, the Division received a loan officer license application from Respondent. He attested to the truthfulness and accuracy of the information in the application.
- XII. Question number 9 of the loan officer application asked the following: “Have you ever filed for personal bankruptcy?”
- XIII. Respondent marked “No.” Respondent failed to disclose that he had filed for personal bankruptcy in 1997 and 1998. Respondent attested in a sworn statement that information he provided on this licensing application was truthful, when it was not.
- XIV. Respondent held a loan officer license during the 2007 calendar year.
- XV. R.C. 1322.052 requires every licensed loan officer to complete at least six (6) hours of approved continuing education (“CE”) every calendar year (by December 31st).
- XVI. Respondent failed to complete the required 6 hours of CE credit for the 2007 calendar year as required by R.C. 1322.052.
- XVII. Because Respondent failed to comply with R.C. 1322.052, the Division is authorized under R.C. 1322.10(A)(1)(a) to refuse to issue a loan officer license.

As a result of the findings listed above, the Division has determined that:

1. Respondent twice violated R.C. 1322.07(A), which prohibits a loan officer applicant from “mak[ing] any substantial misrepresentation in any registration or license application[.]”
2. Respondent violated R.C. 1322.07(C), which prohibits a loan officer applicant from “[e]ngag[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings.”
3. Respondent violated R.C. 1322.052 by failing to complete 6 hours of CE credit for the 2007 calendar year.
4. Because Respondent violated R.C. 1322.07(A) and (C) and R.C. 1322.052, the Division finds that Respondent’s character and 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 the Ohio Mortgage Broker Act, per R.C. 1322.041(A)(6).
5. Because Respondent violated R.C. 1322.07(A) and (C) and R.C. 1322.052 and does not meet the requirement for licensure in 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 to Respondent and to impose a fine of two thousand five hundred dollars (\$2,500.00) pursuant to R.C. 1322.10(A)(2).

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an order denying Respondent a loan officer license and ordering payment of a fine in the amount of two thousand five hundred dollars (\$2,500.00).

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed: Ohio Division of Financial Institutions, Attn: Jacqueline Mallett, Attorney Examiner, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

At the hearing, Respondent may appear in person, by Respondent’s attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses appearing for and against Respondent.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an Order denying Respondent’s loan officer license application and ordering payment of a fine in the amount of two thousand five hundred dollars (\$2,500.00).

Signed and sealed this 20th day of June 2008.

LEIGH A. WILLIS

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