

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

In the matter of:)	Case No. M2009-1073
)	
JOHN T. MILOWE)	<u>DIVISION ORDER</u>
7495 Foxfield Court)	Refusal of Loan Originator License Application
Columbus, OH 43235)	&
)	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 is consistent with the purposes of the Ohio Mortgage Broker Act; and

WHEREAS, John T. Milowe ("Respondent") applied to the Division for a loan originator license pursuant to R.C. Chapter 1322; and

WHEREAS, on July 6, 2010, the Division issued Respondent a Notice which informed him that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

- A. On or about December 14, 1998, Respondent plead guilty in the United States District Court, Southern District of Ohio to Conspiracy to Violate 21 U.S.C. Section 331(a),(g), and (i)(3), Manufacture and Delivery of Misbranded Drugs, & Sale/Dispensing of Counterfeit Drugs.
- B. On June 29, 2004, the Division revoked Respondent's loan officer license because he violated R.C. 1322.07(A), (B) and (C) by failing to disclose information about his criminal background and because he had been convicted of a crime involving drug trafficking, violating R.C. 1322.10(A)(1)(b).
- C. On or around November 1, 2009, Respondent submitted another loan officer license application to the Division. Respondent failed to disclose the Division's prior revocation of his license in 2004, despite attesting in a sworn statement that the application was complete and truthful when it was not.

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

- 1. Respondent's actions, as listed above in Paragraphs (A), (B) and (C), show 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 the Ohio Mortgage Broker Act. See R.C. 1322.041(A)(6).

2. Respondent was licensed as a loan officer during the calendar year 2004, and thereby required to obtain six (6) hours of continuing education credit for that year. Respondent failed to obtain CE credit for the calendar year 2004, and therefore is not in compliance with R.C. 1322.052.
3. Respondent's actions, as listed above in Paragraphs (B) and (C), violated R.C. 1322.07(A), which prohibits a loan officer applicant from "mak[ing] any substantial misrepresentation in any registration or license application[.]"
4. Respondent's actions, as listed above in Paragraphs (B) and (C), violated R.C. 1322.07(B), which prohibits a loan officer applicant from "[m]ak[ing] false or misleading statements of a material fact, [or] omissions of statement required by state law[.]"
5. Respondent's actions, as listed above in Paragraphs (A), (B) and (C), 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."
6. Because Respondent violated R.C. 1322.07(A), (B) and (C), and did not comply with R.C. 1322.052, the Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue Respondent a loan officer license.

WHEREAS, the Notice informed Respondent of the Division's intent to refuse Respondent's loan originator license application and of the opportunity for a hearing regarding the refusal 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 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 refusing Respondent's loan originator license application."

WHEREAS, the Notice was mailed to Respondent, via certified mail, on July 6, 2010, and service was perfected;

WHEREAS, Respondent failed to request a hearing 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 Respondent should be refused a license to act as a loan originator;

Respondent John T. Milowe's loan originator license application is hereby REFUSED.

It is so ordered.

NOTICE OF RIGHT TO APPEAL

Respondent is hereby notified that pursuant to R.C. 119.12, this Division Order may be appealed by filing a notice of appeal with the Division setting forth the Order that Respondent is appealing from and stating that the Division's order is not supported by reliable, probative, and substantial evidence and is not in accordance with law. The notice of appeal may also include, but is not required to include, the specific grounds for the appeal. The notice of appeal must also be filed with the appropriate court of common pleas in accordance with R.C. 119.12. In filing the notice of appeal with the Division or court, the notice that is filed may be either the original notice or a copy of the original notice. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Division Order.

Signed and sealed this 2nd day of November, 2010.

LEIGH A. WILLIS

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