

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

In the matter of:	)	Case No. 04-0402-LOD
	)	
<b>SHANE A. LONG</b>	)	<b><u>DIVISION ORDER</u></b>
20410 Farragut	)	<b>Denial of Loan Officer License Application</b>
Toledo, Ohio 43613	)	&
	)	<b>Notice of Appellate Rights</b>

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Respondent, Shane A. Long (“Respondent”), submitted a loan officer license application to the Division of Financial Institutions (“Division”) on January 21, 2004. On April 27, 2004, the Division notified Respondent that it intended to deny his loan officer license application because: (1) in or around 2003 in the Circuit Court for the County of Oakland, Michigan, Respondent was convicted of Delivery/Manufacturing Marijuana; (2) Respondent has not proven that he is honest, truthful, and of good reputation that there is no basis in fact for believing that he will not commit another criminal offense involving drug trafficking or any criminal offense involving money or securities; and (3) because his character and general fitness do not command the confidence of the public and warrant the belief that his business will be operated honestly and fairly in compliance with the purposes of R.C. 1322.01 to 1322.12 – the Ohio Mortgage Broker Act.

Respondent requested a hearing and an administrative hearing was held on August 27, 2004. The hearing officer’s Report and Recommendation (“Report”) was filed with the Division on November 8, 2004, recommending that the Division approve Respondent’s application and grant him a loan officer license. No objections were filed.

In accordance with R.C. 119.09, the Division has considered the record, consisting of the Report and Recommendation, the transcript of testimony and exhibits, as well as all applicable laws. In consideration thereof, the Division makes the following findings and conclusions. Any

finding and/or conclusion not specifically addressed below is approved, adopted, and incorporated herein. (The Hearing Officer's Report and Recommendation is attached hereto.)

The Division disapproves paragraph 4 on page 3 of the Report and Recommendation as R.C. 1322.07(A) and (B) are irrelevant to the present case.

The Division disapproves paragraph 5 on page 3 of the Report and Recommendation.

Pursuant to R.C. 1322.41(A)(5), the Division has the burden to prove that 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 Ohio Mortgage Broker Act. On the other hand, R.C. 1322.41(A)(3) places the burden upon Respondent to prove by a preponderance of the evidence that he is honest, truthful, and of good reputation, and that there is no basis in fact for believing he will not commit another criminal offense involving drug trafficking or any criminal offense involving money or securities.

The Division disapproves paragraph 9 on page 4 of the Report and Recommendation.

Proof of Respondent's recent conviction for delivery/manufacture of marijuana and the surrounding circumstances do not support the conclusion that his character and general fitness 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. Exhibit 2. Respondent testified that he knew his co-defendant was growing marijuana in the basement of the house they were sharing ("Mr. Attalla also set up a hydroponic marijuana growing system in the basement without my knowledge, and, obviously, after a couple days there, I figured it out. I knew it was there."). Tr., p. 14. After learning of the marijuana-growing operation, Respondent admitted "[a]nd by all fault of mine, I should have left there. I should have moved out, but there were only two weeks [remaining in his lease]." Id. Evidently, it did not occur to Respondent to

report this illegal activity to the police leading the Division to logically conclude that Respondent would overlook illegal activity in the home financing industry were he to witness it. Furthermore, at the time of the hearing, Respondent was still serving probation for the conviction. Tr., p. 32. Altogether, these facts reflect negatively upon Respondent's character and general fitness under R.C. 1322.041(A)(5).

The Division disapproves the Recommendation on page 5 of the Report and Recommendation.

As noted above, the Division finds that 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. Furthermore, and although this is not discussed in the Report and Recommendation, the Respondent has not met his burden of proof under R.C. 1322.041(A)(3). Respondent presented only his own self-serving testimony and the testimony of his employer, who stands to benefit financially if Respondent is legally authorized to originate loans. Tr., p. 24-35. Respondent was convicted of delivery/manufacture of marijuana one year from the date of hearing and was still serving probation. Tr., p. 32; Ex. 2. One year is not enough time for an applicant to establish that he is honest, truthful, and of good reputation, especially when the applicant has not completed his criminal sentence. In total, Respondent has not proven by a preponderance of the evidence that he, since the 2003 conviction, is honest, truthful, and of good reputation, and that there is no basis in fact for believing that he will not commit another offense involving drug trafficking or any criminal offense involving money or securities. R.C. 1322.041(A)(3).

In accordance with the foregoing, the Division concludes that Respondent's loan officer license application should be denied.

It is so ordered.

**NOTICE OF APPELLATE RIGHTS**

Respondent is hereby notified that pursuant to R.C. 119.12, this Order may be appealed 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, pursuant to R.C. 119.12, 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 1<sup>st</sup> day of June 2006.

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**ROBERT M. GRIESER**  
Deputy Superintendent for Consumer Finance  
Division of Financial Institutions  
Ohio Department of Commerce