

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

In the matter of:)	Case No. 06-0020-LOD
)	
JASON L. HUDSON)	<u>DIVISION ORDER</u>
1537 Lombard Avenue)	Denial of Loan Officer License Application
Toledo, OH 43614)	&
)	Notice of Appellate Rights
)	

Respondent, Jason L. Hudson (“Respondent”), submitted a loan officer license application to the Division of Financial Institutions (“Division”) on September 23, 2004. On March 2, 2005, the Division notified Respondent that it intended to deny his loan officer license application (“Application”) because: (1) Respondent attested in a sworn statement that information he provided in his Application was truthful when it was not; (2) Respondent provided untruthful information to the State of Ohio, Department of Commerce, Division of Financial Institutions; (3) Respondent violated R.C. 1322.07(A), (B), and (C) by attesting to the accuracy of the Application and not disclosing his criminal history in the Application, which was filed with the Division; and (4) because 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 R.C. sections 1322.01 to 1322.12, the Ohio Mortgage Broker Act.

Respondent requested an administrative hearing, which was held on April 21, 2005. Respondent appeared without counsel. A Report and Recommendation (“Report”) was filed with the Division on August 1, 2005, recommending that the Division deny Respondent's Application. 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. (The Hearing Examiner’s Report and Recommendation is attached). With the exception of paragraphs 13 and 14 on page 6 of the Report and Recommendation, the Division hereby adopts the hearing officer’s recommendation.

The Division disapproves paragraphs 13 and 14 on page 6 of the Report and Recommendation.

The interpretation of R.C. 1322.07 in paragraph 13 of the Report is in error. R.C. 1322.07(A), (B), and (C) do not require a deliberative act for their violation. In contrast to 1322.07(E) and (F), which contain language of intent by use of the term “knowingly”, R.C. 1322.07(A), (B), and (C) do not employ such language. Accordingly, an applicant that fails to carefully read and answer each question in a loan officer application, swears to its veracity, and then files such application with the Division is in violation of R.C. 1322.07(A), (B), and (C) when such answer is patently untrue. Here, Respondent’s failure to disclose his criminal background on the Application was not due to mistake as noted in the Report, but rather his own carelessness. Respondent testified that he did not read the question carefully and that he “skimmed” the question. (Tr., pp. 29, 30). Yet, Respondent affirmed before a notary that his Application was “complete and true” and shortly thereafter filed the Application containing a false answer as to his criminal history, with the Division. (State’s Ex. A). Respondent’s actions constitute a violation of 1322.07(A), (B), and (C).

Following its review of the record, the Division denies the loan officer license application of Jason L. Hudson.

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 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 6th day of October 2006.

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