

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

In the matter of:	) Case No. M2010-14
	)
<b>MICHAEL J. RUDOLPH</b>	) <b>Notice of Intent to Refuse to Issue Loan Officer License</b>
2247 Pine Tree Lane	) &
Twinsburg, OH 44087	) <b>Notice of Opportunity for a Hearing</b>
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**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, and the rules adopted thereunder.

**RESPONDENT**

**MICHAEL J. RUDOLPH** ("Respondent") has applied to the Division for a loan officer license. His address of record is 2247 Pine Tree Lane, Twinsburg, OH 44087. Respondent's employer of record is American Mortgage Service Company, 11503 Springfield Pike, 2<sup>nd</sup> Floor, Cincinnati, OH 45246.

**NOTICE OF PROPOSED ACTION**

In accordance with R.C. sections 1322.041 and 1322.10, and R.C. Chapter 119, the Division intends to REFUSE Respondent's application for a loan officer license.

**BASIS FOR PROPOSED ACTION**

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

- A. On or about August 26, 2004, Respondent's insurance agent license was revoked by the Ohio Department of Insurance for engaging in a "fraudulent, dishonest, or coercive practice in connection with the business of insurance, pursuant to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 (C) below.)
- B. 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.
- C. 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 (A) above.

- D. 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.
- E. In February 2008, Respondent incurred a federal tax lien in the amount of \$13,017.
- F. 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).
- G. 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.

**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 refusing to issue Respondent a loan officer license.

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: Desiree Shannon, Consumer Finance Attorney, 77 South High Street, 21<sup>st</sup> 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 his 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 refusing to issue Respondent a loan officer license.

Signed and sealed this 7<sup>th</sup> day of April, 2010.

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**LEIGH A. WILLIS**

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