

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

In the matter of:)	Case No. 05-0036-LOD
)	
JOHN E. DUGGAN, II)	Notice of Intent:
8549 Calumet Way)	DENIAL OF 2004 RENEWAL APPLICATION
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

JOHN E. DUGGAN, II ("Respondent") is an individual that held a loan officer license issued by the Division to originate residential mortgage loans pursuant to R.C. Chapter 1322. Respondent's loan officer license expired on April 30, 2004, and Respondent filed an application to renew his license; that renewal application remains pending. His address of record is 8549 Calumet Way, Cincinnati, Ohio 45249, and his date of birth is June 16, 1939. Respondent's employer of record is Midwest Full Service Mortgage, Inc., 10925 Reed Hartman Highway, Suite 100, Blue Ash, Ohio 45242.

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 renewal application for a loan officer license.

BASIS FOR PROPOSED ACTION

- I. On or about August 23, 2004, in the Western Division of the United States District Court, for the Southern District of Ohio, John E. Duggan, II, pleaded guilty and was convicted of FEDERAL BANK FRAUD, in violation of 18 U.S.C. § 1344.
- II. On or about August 23, 2004, in the Western District of the United States District Court, for the Southern District of Ohio, John E. Duggan, II, pleaded guilty and was convicted of FEDERAL TAX EVASION, in violation of 26 U.S.C. § 7201.

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

1. Respondent's actions, as listed above in Paragraph A, show that he has not proven that he is honest, truthful, and of good reputation, and that there is no basis in fact for believing that he will not commit another criminal offense involving theft or any criminal offense involving money or securities. See R.C. sections 1322.031(A)(2) and 1322.041(A)(3).

2. Duggan's 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 the Ohio Mortgage Broker Act. See R.C. 1322.041(A)(5) and 1322.041(B)(3); and
3. Duggan's residential mortgage loan officer license should not be renewed. See R.C. 1322.10(A)(1)(a); 1322.041(A)(5); and 1322.041(B)(3).

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's application for renewal of loan officer license under the Ohio Mortgage Broker Act.

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: Amanda M. Axtell, Consumer Finance Counsel, 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 application for renewal of loan officer license.

Signed and sealed this 13th day of April 2005.

ROBERT M. GRIESER

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

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