

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

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| In the matter of: |) | Case No. M2008-669 |
| |) | |
| FRANKLIN CREDIT MANAGEMENT CORPORATION |) | Notice of Intent to Refuse Renewal |
| 101 Hudson Street, 25 th Floor |) | & |
| Jersey City, New Jersey 07302 |) | 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 Loan Act ("OMLA"), codified in Ohio Revised Code ("R.C.") sections 1321.51 to 1321.60 and the rules adopted thereunder.

RESPONDENT

FRANKLIN CREDIT MANAGEMENT CORPORATION ("Respondent") is a corporation that held a certificate of registration to engage in business as a second mortgage lender pursuant to the OMLA. That certificate expired on July 30, 2008. Respondent's business address of record is 101 Hudson Street, 25th Floor, Jersey City, New Jersey 07302.

NOTICE OF PROPOSED ACTION

In accordance with R.C. 1321.54(B), and R.C. Chapter 119, the Division intends to refuse the renewal of Respondent's OMLA certificate of registration.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent pursuant to R.C. 1321.54(C) and has found the following:

- A. On April 4, 2008, pursuant to R.C. 1321.55(B), the Division notified Respondent by regular mail of the requirement to file the annual report of the business it conducted under the OMLA during calendar year 2007. The Division's notification required Respondent to submit its completed annual report to the Division no later than May 5, 2008. The letter stated that "[i]f [the Division] does not receive the annual report form by Friday, May 9, 2008, the Division will begin the administrative action outlined in section 1321.54(B) to revoke your OMLA certificate of registration." The Division received no response from Respondent to this notification

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

1. In accordance with R.C. 1321.54(B), the Division may refuse to renew a certificate of registration if it finds that the registrant has continued to violate R.C. sections 1321.51 to 1321.60 after receiving notification of the violation from the Division.
2. Respondent's failure to file the annual report after being notified of this requirement by the Division is a continued violation of R.C. 1321.55(B).

3. Because Respondent has a continuing violation of R.C. 1321.55(B), Respondent's certificate of registration renewal application should be refused pursuant to R.C. 1321.54(B).

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to the OMLA and R.C. 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 Respondent's certificate of registration renewal application under the Ohio Mortgage Loan 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: Jacqueline Mallett, Consumer Finance Attorney Examiner, 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. At the hearing, a corporation must have a representative that is permitted to practice before the Agency, such as an attorney.

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 Respondent's certificate of registration renewal application.

Signed and sealed this 6th day of November 2008.

LEIGH A. WILLIS

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