

\*\*\* DRAFT - NOT YET FILED \*\*\*

1301:8-7-21

**Character, general fitness, and financial responsibility.**

(A) In determining whether a person has the character and general fitness to 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 Chapter 1322. of the Revised Code and the rules adopted thereunder, the superintendent may consider, among other things, whether the person or an owner, officer or director thereof, has:

- (1) Been convicted of, or pled guilty or nolo contendere in any court of competent jurisdiction to any felony;
- (2) Been convicted of, or pled guilty or nolo contendere in any court of competent jurisdiction to any misdemeanor within seven years of the date of application;
- (3) Been found liable in any court of competent jurisdiction for acts or omissions relating to residential or commercial mortgage lending services, real estate services, or any other financial products or services;
- (4) Been refused or denied a professional registration or license by any state or federal agency granted disciplinary or regulatory authority by state or federal law;
- (5) Had a professional license or registration suspended or revoked by any state or federal agency granted disciplinary or regulatory authority by state or federal law, including but not limited to, being placed on the HUD limited denials of participation list pursuant to 2 C.F.R. Part 2424, as in effect on January 12, 2014;
- (6) Been issued a cease and desist order or had a fine imposed by any court of competent jurisdiction or by any state or federal agency granted disciplinary or regulatory authority by state or federal law for conduct relating to a professional license or registration;
- (7) Violated any provision of Chapters 1321., 1322., 4712., 4727., or 4728. of the Revised Code or sections 1315.21. to 1315.30, 1345.031, or 1349.25 to 1349.35 of the Revised Code or any rules promulgated thereto;
- (8) Engaged in any conduct which would reflect negatively on the honesty or business repute of the person, including, but not limited to, the failure to provide complete and accurate information concerning the person's past; or
- (9) A pattern of disregard of the laws of this state, another state, or the United States.

(B) In determining whether a person has the financial responsibility to 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 Chapter 1322. of the Revised Code and the rules adopted thereunder, the superintendent may consider, among other things, whether the person, or an owner, officer or director thereof, has:

- (1) Any current outstanding civil or criminal judgments for money, restitution, or damages of any kind;
- (2) Any current outstanding tax liens or other government liens;
- (3) A foreclosure filed within the past five years whether residential or commercial;
- (4) A bankruptcy filed within the past five years;
- (5) Any current accounts that are past due, in collection, or charged off, and which in the aggregate exceed five thousand dollars.

(C) In assessing financial responsibility pursuant to paragraph (B), the superintendent may consider mitigating factors, including, but not limited to:

- (1) Involuntary loss of job or income;
- (2) Divorce;
- (3) Involuntary medical expenses incurred by the person or the person's spouse or dependent;
- (4) Certified copies of satisfactions of judgments, tax liens or other government liens;
- (5) Certified copies of bankruptcy discharge orders, schedules, or dismissal documents;
- (6) Written evidence of a repayment plan or agreement with creditors; or
- (7) Any other information the superintendent believes reflects circumstances beyond the control of the person.

(D) The superintendent shall not consider a bankruptcy as the sole basis for a finding that a person lacks the required financial responsibility; however, the superintendent may consider the facts and circumstances that lead to a bankruptcy.

Replaces: 1301:8-7-21

Effective:

Five Year Review (FYR) Dates:

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Certification

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Date

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