

4781-11-02 Denial of licensure.

(A) The executive director of the commission or the commission shall deny the application of any person for a license as a manufactured housing dealer or manufactured housing broker and refuse to issue the license if the executive director of the commission or the commission finds that any of the following is true of the applicant:

- (1) The applicant has made any false statement of a material fact in the application.
- (2) The applicant has not complied with Chapter 4781. of the Revised Code or the rules adopted by the commission under that chapter.
- (3) The applicant is of bad business repute or has habitually defaulted on financial obligations.
- (4) The applicant has been guilty of a fraudulent act in connection with selling or otherwise dealing in manufactured housing or in connection with brokering manufactured housing.
- (5) The applicant has entered into or is about to enter into a contract or agreement with a manufacturer or distributor of manufactured homes that is contrary to the requirements of this chapter.
- (6) The applicant is insolvent.
- (7) The applicant is of insufficient responsibility to ensure the prompt payment of any final judgments that might reasonably be entered against the applicant because of the transaction of business as a manufactured housing dealer or manufactured housing broker during the period of the license applied for, or has failed to satisfy any such judgment.
- (8) The applicant has no established place of business that, where applicable, is used or will be used for the purpose of selling, displaying, offering for sale or dealing in manufactured housing at the location for which application is made.
- (9) Within less than twelve months prior to making application, the applicant has been denied a manufactured housing dealer's license or manufactured housing broker's license, or has had any such license revoked.

(B) The executive director of the commission or the commission shall deny the application of any person for a license as a salesperson and refuse to issue the license if the executive director of the commission or the commission finds that any of the following is true of the applicant:

- (1) The applicant has made any false statement of a material fact in the application.
- (2) The applicant has not complied with Chapter 4781. of the Revised Code or the rules adopted by the commission under that chapter.
- (3) The applicant is of bad business repute or has habitually defaulted on financial obligations.

- (4) The applicant has been guilty of a fraudulent act in connection with selling or otherwise dealing in manufactured housing.
- (5) The applicant has not been designated to act as salesperson for a manufactured housing dealer or manufactured housing broker licensed to do business in this state under Chapter 4781. of the Revised Code, or intends to act as salesperson for more than one licensed manufactured housing dealer or manufactured housing broker at the same time, unless the licensed dealership is owned or operated by the same corporation, regardless of the county in which the dealership's facility is located.
- (6) The applicant holds a current manufactured housing dealer's or manufactured housing broker's license issued under Chapter 4781. of the Revised Code, and intends to act as salesperson for another licensed manufactured housing dealer or manufactured housing broker.
- (7) Within less than twelve months prior to making application, the applicant has been denied a salesperson's license or had a salesperson's license revoked.
- (8) The applicant was salesperson for, or in the employ of, a manufactured housing dealer or manufactured housing broker at the time the dealer's or broker's license was revoked.
- (C) If an applicant for a manufactured housing dealer or manufactured housing broker's license is a corporation or partnership, the commission may refuse to issue a license if any officer, director, or partner of the applicant has been guilty of any act or omission that would be cause for refusing or revoking a license issued to such officer, director, or partner as an individual. The commission's finding may be based upon facts contained in the application or upon any other information the commission may have.
- (D) Notwithstanding paragraph (A)(4) of this rule, the commission shall not deny the application of any person and refuse to issue a license if the commission finds that the applicant is engaged, or will engage, in the business of selling at retail any new manufactured homes and demonstrates that the applicant has posted a bond, surety, or certificate of deposit with the commission in an amount not less than one hundred thousand dollars for the protection and benefit of the applicant's customers.
- (E) A decision to deny the application of any person for a license as a manufactured housing dealer or manufactured housing broker or as a salesperson and refuse to issue the license made by the executive director of the commission or the commission under this section may be based upon any statement contained in the application or upon any facts within the executive director of the commission or the commission's knowledge.
- (F) Immediately upon denying an application for any of the reasons in this section, the commission shall enter a final order together with the commission's findings. If the application is denied by the executive director of the commission, the executive director of the commission shall enter a final order together with the director's findings and certify the same to the commission. The commission shall issue to the applicant a written notice of refusal to grant a license that shall disclose the reason for denial.

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