

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
WILLIAM J. GILBERT,

PETITION FOR ORDER

Respondent.

File No. S-07132(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities (hereinafter "the Division"), has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. William J. Gilbert ("Gilbert") is an individual with a month and year of birth of February 1946, who at all times material hereto was a lawyer licensed to practice law in the State of Wisconsin, with a last known home address of 924 Krattley Lane North, Hudson, Wisconsin 54016;
2. An action of the Supreme Court of Wisconsin brought by the Office of Lawyer Regulation against William J. Gilbert, Case No. 2004 WI 144, 276 Wis. 2d 395, 689 N.W. 2d 50 (2004), resulted in the suspension for six months of the license to practice law of Gilbert and ordered Gilbert to pay restitution to the person in Wisconsin;
3. According to the decision of the Supreme Court of Wisconsin, during the period of 1997, Gilbert obtained a loan of \$10,500 from at least one person in Wisconsin, and gave a promissory note as evidence of the loan;
4. The promissory note as described in Paragraph 3 above is a transaction involving "securities" as that term is defined by sec. 551.02(13)(a), Wis. Stats., and has never been registered under Ch. 551, Wis. Stats., for its offer and sale in Wisconsin;
5. According to the decision of the Supreme Court of Wisconsin, referred to in Paragraph 2 above, in connection with the offer and sale of the securities described in Paragraph 3, Gilbert omitted to disclose that he was delinquent on his home mortgage payments, that a mortgage foreclosure action had been filed against him, and that a collection action had been filed against him;
6. Gilbert has violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin;
7. According to the decision of the Supreme Court of Wisconsin, referred to in Paragraph 2 above, Gilbert has defaulted on repayment of the promissory note, referred to in Paragraph 3 above, and the person in Wisconsin has sued and obtained a judgment against Gilbert in the amount of \$15,797.37, which was docketed in January 2004; and
8. Staff of the Division wrote to Gilbert requesting information and documents concerning his securities-related activities with persons in Wisconsin, but to date have gotten no response, despite the due date having passed for the response.

