

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

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In the Matter of  
JAMES M. GEDLEN,

PETITION FOR ORDER

Respondent.

File No. S-07157(EX)

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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. James M. Gedlen ("Gedlen") is an individual with a month and year of birth of January 8, 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 5252 S. 124<sup>th</sup> Street, Hales Corners, Wisconsin 53130;
2. An Opinion of the Supreme Court of Wisconsin in the matter of the Disciplinary Proceedings Against James M. Gedlen, Attorney at Law: Office of Lawyer Regulation, Complainant-Respondent, v. James M. Gedlen, Respondent-Appellant, Case No. 2006AP901-D was filed on October 2, 2007;
3. According to references in the Opinion, referred to in Paragraph 2 above, "... In August 2004 Attorney Gedlen obtained a loan from S.L.K., which he used to deposit \$65,000 into his trust account. ..."
4. According to information and documents provided to the staff of the Division by S.L.K., "... Gedlen initially requested to borrow \$65,000 in August, 2004, to cover litigation costs of a client involved in a truck accident. ... In subsequent sworn testimony, Gedlen stated that he had no personal injury cases pending. ..."
5. According to information and documents provided to the staff of the Division by S.L.K., "... Gedlen also stated that he had stock equities equal to or exceeding a value of \$65,000 but did not wish to redeem the stock equities and sustain an inadequate investment return on the stocks. In later testimony under oath, Gedlen stated that he had no investable assets. ..."
6. According to information and documents provided to the staff of the Division by S.L.K., on August 19, 2004, S.L.K. loaned \$65,000 to Gedlen by sending the money to Gedlen in Milwaukee, Wisconsin;
7. According to information and documents provided to the staff of the Division by S.L.K., Gedlen provided a promissory note, as evidence of the loan referred to above, in the amount of \$65,000;
8. According to information and documents provided to the staff of the Division by S.L.K., the promissory note is in the principal amount of \$65,000, with interest at the rate of four percent per annum, to be repaid on or before December 31, 2004;
9. The promissory note as described 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;

