

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

In the Matter of

S.W. CONSULTING & PROPERTY,
JAMES E. WILLIAMS, and
SHARON F. WILLIAMS,

PETITION FOR ORDER

File No. S-09021 (EX)

Respondents,

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

1. S.W. Consulting & Property ("SWCP") is a partnership created by James E. Williams and Sharon F. Williams, with a last known address of 3083 W. Mason Street, Green Bay, Wisconsin 54313.
2. James Edward Williams ("Williams") (DFI LO Lic. No. 37905) is an individual born in June, 1941, who has been licensed as a loan originator with the Wisconsin Department of Financial Institutions, Division of Banking, from July 28, 1998 to the present, with a last known home address at 3083 W. Mason Street, Green Bay, Wisconsin 54313.
3. Sharon Faith Williams ("Sharon") is an individual born in July, 1947, and is the wife of Williams, with a last known home address at that of 3083 W. Mason Street, Green Bay, Wisconsin 54313.
4. Allen Paul Doxtator ("Doxtator")(CRD # 1865169) is an individual born in September, 1940, who was last licensed as a securities agent in Wisconsin from September 28, 1990 through September 16, 1991, with a last known home address of 4176 W. Mason Street, Oneida, WI 54155-8921.
5. At all times material hereto, Williams and Sharon have been general partners, owners, officers and/or controlling persons of SWCP. At all times material hereto, Doxtator acted as an agent of SWCP, Williams and Sharon.
6. According to information Williams provided to staff of the Division, SWCP will engage in the business of making loans to persons whose real estate loans are in foreclosure so that those persons can avoid losing the real estate, with those persons agreeing to repay the loans with interest to SWCP.

7. According to information Williams provided to staff of the Division, between 2004 and 2008, Williams offered and sold notes and/or investment contracts in SWCP to at least 18 persons in Wisconsin, promising repayment of the principal with interest at a certain later date.
8. The notes and/or investment contracts Williams offered and sold to the persons as described in ¶7 above are securities as defined by § 551.02(13)(a), Wis. Stats., and have never been registered under Ch. 551, Wis. Stats., for their offer and sale in Wisconsin.
9. Each Respondent has violated § 551.21(1), Wis. Stats., by offering and selling unregistered securities to persons in Wisconsin.
10. According to information Williams provided to staff of the Division, during the offer and sale of these securities to persons as described in ¶7 above, Williams made payments to Doxtator whenever the persons who bought the SWCP securities were referred to Williams by Doxtator.
11. In connection with the offers and sales of the securities described above, Doxtator transacted business in Wisconsin as an "agent" for SWCP, Williams and Sharon, as that term is defined by § 551.02(2), Wis. Stats.
12. At no time during which Doxtator transacted business as an agent for SWCP, Williams and Sharon has Doxtator been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
13. Doxtator has violated § 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
14. SWCP, Williams and Sharon have violated § 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in the offer and sale of securities to person in Wisconsin.
15. According to information Williams provided to staff of the Division, during the offer and sale of the securities to persons as described in ¶7 above, Williams deposited the money he received from investors into business accounts owned by James E. Williams and Sharon F. Williams as partners of SWCP at financial institutions where Williams used the money not only for business purposes of SWCP, but also for the personal purposes of Williams and Sharon, without the consent of the investors or disclosing to them that he might do so.
16. According to information Williams provided to staff of the Division, during the offer and sale of the securities to some persons, as described in ¶7 above, when SWCP no longer had enough money to make payments to investors when due, Williams paid existing investors with money he received from new investors, without the consent of the new investors or disclosing to them that he would do so.
17. By his actions as described in ¶¶14-15 above, Williams has violated § 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 a person from Wisconsin.

Therefore, the staff of the Bureau of Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

Mark E Dorman *12-11-09*

Mark E. Dorman Date
Examiner

Leslie M. Van Buskirk *12/11/09*

Leslie M. Van Buskirk Date
Attorney Supervisor