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

IN THE MATTER OF REVOCATION OF
A LOAN ORIGINATOR LICENSE FOR

ORDER OF REVOCATION

SCOTT W. HANSEN, RESPONDENT

TO: SCOTT W. HANSEN
10329 RIDGE ROAD
DANBURY, WI 54830

The State of Wisconsin, Department of Financial Institutions, Division of Banking ("Department") licenses and regulates loan originators in the State of Wisconsin pursuant to ch. 224, subch. III, Stats.

SCOTT W. HANSEN ("HANSEN") was granted a loan originator license, number 14072, by the Department on February 22, 2001 ("Exhibit A"). The license expires on February 1, 2003. HANSEN's address of record is 10329 Ridge Road, Danbury, WI 54830.

FINDINGS OF FACT

1. On June 18, 2001, the Department received a June 14, 2001, letter from William F. Ouellette ("Ouellette"), President of Landmark Financial Group, Inc. ("Exhibit B"), in which Ouellette stated that HANSEN was no longer employed by Landmark Financial Group, Inc. Ouellette stated in his letter that he believed that HANSEN may have fraudulently written mortgage loans to consumers and not provided related contracts, paperwork or revenue to Landmark Financial Group, Inc.
2. The Department contacted Ouellette to request additional information regarding the above-mentioned allegations. Between June 18 and September 21, 2001, Ouellette provided the following documents:
 - a. A letter of dismissal to HANSEN signed by Ouellette ("Exhibit C")
 - b. A memo to the Department written by Ouellette stating that a check was issued to Landmark Financial Group, Inc. by Douglas County Abstract Co., Inc. Ouellette stated that the check was endorsed by and deposited into the account of [REDACTED], who Ouellette believed to be a relative of HANSEN ("Exhibit D").
 - c. A copy of both sides of the check made out to Landmark Financial Services, Inc. by Douglas County Abstract Co., Inc., evidencing the endorsement by [REDACTED] ("Exhibit E").
 - d. A copy of a bill from Forsythe Appraisals, Inc. to Scott Hansen for an appraisal done on a property located in Duluth, MN for [REDACTED] and [REDACTED], along with a statement from Ouellette that Landmark Financial Group, Inc. had paid for the appraisal, even though HANSEN had obtained a check from [REDACTED] and [REDACTED] for it ("Exhibit F").

e. A statement from [REDACTED] indicating that HANSEN had told her to make her check for \$325 payable to him, personally, and he would see that the appraisal was paid for ("Exhibit G").

3. On November 16, 2001, the Department received a response from HANSEN ("Exhibit H"), which included the following:

"There were three occasions where we were forced to use the appraisal fee to cover other office expenses such as rent or utility."

"In the matter of the check, which was cashed in endorsement of [REDACTED], this was regrettably an impulsive and desperate decision derived from the stress of trying to stay in business. We had not had an account at this time and I regrettably referenced and used my brother's account for the liquidation of this check. The revenue being paid according to the compensation agreement was not sufficient to make expenses, as stated previously. Subsequent to a loan closing, the Title Company sent the fee check to the Webster office. We had several loans in process, which were up coming closings, and there were office bills, which were over due. We made the desperate decision to pay these bills out of that check with the full intent to replace it with the fees from the up coming loan closings."

4. On November 19, 2001, Kay Westbrook contacted [REDACTED] to find out if she had ever been refunded for the amount of their check. [REDACTED] told Westbrook that she was never refunded the money for her appraisal by HANSEN.

5. On HANSEN's application for a loan originator registration ("Exhibit A"), HANSEN answered "NO" to the following question:

c. Do you have any felony or misdemeanor charges pending? Provide details about the pending charge, including status of the charge and the location of the court. (Do not include minor traffic convictions, but do include Driving While Intoxicated (DWI) convictions.)

6. The Department contacted the Wisconsin Department of Justice, Crime Information Bureau, and accessed the Wisconsin Circuit Court Access Program (CCAP) and received information ("Exhibit I") concerning HANSEN, which indicated he was convicted of the following:

03/05/2001	County/Municipality Worthless Checks - Forfeiture
07/09/2001	County/Municipality Worthless Checks - Forfeiture
07/26/2001	Issue of Worthless Checks (<=\$1,000) - Misdemeanor

The Department through the appropriate County Clerks of Circuit Court ("Exhibit I") verified the above convictions.

7. HANSEN did not notify the Department of his pending conviction as required.

REASONS FOR REVOCATION

Pursuant to s. 224.77(1), Wis. Stats., the Department may and does hereby revoke the certificate of registration of HANSEN for the following prohibited conduct:

1. HANSEN made a material misstatement in an application for registration, or in information furnished to the Department. This is prohibited conduct pursuant to s. 224.77(1)(a), Stats.
2. HANSEN made a substantial misrepresentation in the course of practice injurious to one or more of the parties to a transaction. This is prohibited conduct pursuant to s. 224.77(1)(b), Stats.
3. HANSEN pursued a continued and flagrant course of misrepresentation, or made false promises, whether directly or through agents or advertising. This is prohibited conduct pursuant to s. 224.77(1)(d), Stats.
4. HANSEN failed, within a reasonable period of time, to account for or remit any moneys coming into his possession which belongs to another person. This is prohibited conduct pursuant to s. 224.77(1)(h), Stats.
5. HANSEN demonstrated a lack of competency to act as a loan originator in a way which safeguards the interests of the public. This is prohibited conduct pursuant to s. 224.77(1)(i), Stats.
6. HANSEN violated provisions of ch. 224, subch. III; federal statutes or regulations; and state statutes and regulations. This is prohibited conduct pursuant to s. 224.77(1)(k), Stats.
7. HANSEN engaged in conduct which violates a standard of professional behavior which, through professional experience, has become established for loan originators. This is prohibited conduct pursuant to s. 224.77(1)(L), Stats.
8. HANSEN engaged in conduct, whether of the same or a different character than specified elsewhere in ch. 224, subch. III, which constitutes improper, fraudulent or dishonest dealing. This is prohibited conduct pursuant to s. 224.77(1)(m), Stats.

ORDER

Now, therefore, I, Michael J. Mach, Administrator, State of Wisconsin, Department of Financial Institutions, Division of Banking, do hereby and immediately revoke and terminate the license of the respondent, SCOTT W. HANSEN, as a loan originator in the State of Wisconsin.

APPEAL RIGHTS

A person whose certificate of registration has been revoked pursuant to s. 224.77, Stats., may request a hearing pursuant to s. 227.44, Stats., within 30 days after the date of revocation of the certificate of registration. The Division may appoint a hearing examiner pursuant to s. 227.46, Stats., to conduct the hearing.

This order is effective on the date it is signed by the Administrator, State of Wisconsin, Department of Financial Institutions, Division of Banking. Service is complete upon placement in the U.S. Mail addressed to licensee at address of record of licensee.

Dated and signed at Madison, Wisconsin this 19th day of April 2002.

Michael J. Mach, Administrator
State of Wisconsin
Department of Financial Institutions
Division of Banking
P.O. Box 7876
Madison, WI 53707-7876