

ORDER

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF BANKING

TO: JERRY BROVOLD
RURAL BANC CORP
E7989 CHICKADEE RD.
FALL CREEK, WI 54742

and

M & S CORPORATION
P.O. BOX 323
FALL CREEK, WI 54742

1. The State of Wisconsin, Department of Financial Institutions, Division of Banking (“division”) shall enforce and carry out all laws relating to mortgage bankers, mortgage brokers and loan originators in the State of Wisconsin, and shall enforce and cause to be enforced every law relating to the supervision and control thereof, pursuant to subch. III, ch. 224, Stats.

2. JERRY BROVOLD, RURAL BANC CORP and M&S CORPORATION are not registered as a mortgage banker, mortgage broker or loan originator with the division. Upon information and belief, JERRY BROVOLD is the only officer of Rural Banc Corp. Upon information and belief, JERRY BROVOLD and RURAL BANC CORP are located at E7989 Chickadee Rd., Fall Creek, WI 54742. Upon information and belief, M & S Corporation is located at P.O. Box 323, Fall Creek, WI 54742.

3. Pursuant to s. 224.77(3), Stats., the division may issue special orders necessary to, *inter alia*, prevent or correct actions by a mortgage banker, mortgage broker or loan originator which constitute cause under s. 224.77 for revoking, suspending or limiting a certificate of registration; that direct a mortgage banker, mortgage broker or loan originator to cease and desist from engaging in a particular activity; or that direct the mortgage banker, mortgage broker or loan originator to refund or remit certain amounts.

4. The division finds as follows:

Jerry Brovold and Rural Banc Corp were previously licensed by the division as loan originator and mortgage broker, respectively. These licenses expired on May 1, 2003. Prior to becoming licensed with the division or during the registration period, the division found the following violations with respect to Jerry Brovold and/or Rural Banc Corp:

- Unlicensed activity. This is a violation of s. 224.72(1m), Stats.
- Used the term “bank.” This is a violation of s. 221.0402, Stats.
- Failed to include all the written provisions in DFI-BKG 43.04(5m)(a), Wisc. Admin. Code. This is a violation of s. 224.77(1)(i), Stats.

- Sold or offered to sell unregistered securities in Wisconsin. This is a violation of ch. 551.
- The licenses for Jerry Brovold and Rural Banc Corp expired 5/1/2003. On April 2, 2003, we received a check from Jerry Brovold for \$250.00 with a note from Jerry Brovold, dated 3/29/03, entitled "License Renewal." The division has not received a renewal application for Jerry Brovold or Rural Banc Corp. A refund of Jerry Brovold's \$250.00 is enclosed.
- Upon information and belief, Rural Banc Corp has in the past or is now doing business as M & S Corporation. It is the division's belief that M & S Corporation is not licensed or authorized to conduct business in Wisconsin. This is a violation of s. 224.72(1m).
- Based on the above information and conduct of Jerry Brovold, there is reason to believe that Jerry Brovold, Rural Banc Corp and M & S Corporation have or are currently acting as a mortgage banker, mortgage broker or loan originator or otherwise portraying themselves as a mortgage banker, mortgage broker or loan originator in violation of Section 224.72(1m), Wisconsin Statutes.

5. **IT IS HEREBY ORDERED**, based on the foregoing, as follows:

a. Jerry Brovold, Rural Banc Corp and M & S Corporation immediately discontinue operating as a mortgage banker, mortgage broker or loan originator in the State of Wisconsin. This includes:

- Immediately discontinue acting, advertising or otherwise portraying itself as a mortgage banker, mortgage broker or loan originator in Wisconsin until properly licensed.

6. The provisions of this Order shall be binding upon JERRY BROVOLD, RURAL BANC CORP, and M&S CORPORATION's directors, officers, employees, agents, successors, assigns, and other persons participating in the conduct of its affairs. The provisions of the Order shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this Order shall have been modified, terminated, suspended, or set aside by the division. Violation of Wis. Stat. Sec. 224.72(1m) may result in prosecution, and a fine of not more than \$1000 or imprisonment for not more than 6 months or both.

7. The effective date of this Order shall be the date it is served. Pursuant to s. 227.48, Stats., service is effective upon mailing.

8. Pursuant to s. 224.77(3)(c), Stats., orders of the division are subject to review as provided in ss. 227.42, Stats., *et seq.*

