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## ORDER

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

TO: Christopher Lauria

Respondent

### PURPOSE

1. This is an order issued by the Administrator, State of Wisconsin, Department of Financial Institutions, Division of Banking and directed to respondent.

### JURISDICTION and AUTHORITY

2. 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. Ch. 224, subch. III, Stats.

3. Respondent holds a license as a mortgage loan originator under ch. 224, subch. III, Stats., with the division, license #29279. Respondent is located at the address indicated above.

4. The division may assess against any person who violates ch. 224, subch. III, Stats., a forfeiture of not more than \$25,000 for each violation and may further order restitution to any person suffering loss as a result of the violation. Sec. 224.77(1m), Stats.

5. If the division finds that a mortgage banker, mortgage loan originator, or mortgage broker has violated any provision of ch. 224, subch. III, Stats., or any rule promulgated under this subchapter, the division may deny any application for initial issuance or renewal of a license; revoke, suspend, limit or condition any license; and issue a reprimand. Sec. 224.77(2m), Stats.

6. The division may issue general and special orders, including temporary orders that become immediately effective, to prevent or correct actions by a mortgage banker, mortgage loan originator or mortgage broker that constitutes a violation of any provision of ch. 224, subch. III, Stats., or any rule promulgated under that subchapter. Sec. 224.77(3), Stats.

## FINDINGS

The division finds as follows:

### Material Misstatements on Mortgage Broker Renewal Application

7. Respondent was the sole officer and 100% owner of Mortgage Solutions, Inc. ("MSI"). On March 10, 2011, the division denied MSI's renewal application for a mortgage broker license, finding that respondent, as MSI's sole officer and 100% owner, made material misstatements regarding MSI's financial statements and surety bond. **Ex. A.**
8. Respondent did not contest or appeal the findings and order of the division.
9. Pursuant to an investigation by the Wisconsin Department of Safety and Professional Services, the material misstatements were not found to be attributable to MSI's accountant. **Ex. B.**
10. Pursuant to s. 224.77(2m)(b), Stats., if the division finds that an applicant for initial issuance or renewal of a license under subch. III, ch. 224, Stats., made any material misstatement in the application or withheld material information, or that the applicant no longer satisfies the requirements under s. 224.72 or 224.725 for issuance or renewal of the license, the division may deny the application or, if the license has already been issued, suspend or revoke the license.
11. Respondent, as MSI's sole officer and 100% owner, made material misstatements in MSI's renewal application.
12. By making material misstatements in MSI's renewal application, respondent no longer satisfies the requirement under s. 224.725(3)(c), Stats., which requires that the division finds that an applicant demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of subch. III, ch. 224, Stats.

### Nondisclosure On Mortgage Broker and Loan Originator Renewal Applications

13. On or about June 30, 2006, respondent was charged with "Battery," a misdemeanor, and "Disorderly Conduct," a misdemeanor. On December 4, 2006, respondent was convicted of "Disorderly Conduct," with a charge modifier of "Domestic Abuse," a misdemeanor (Waukesha County Circuit Court Case Number 06CM1976). **Ex. C.**
14. On or about October 30, 2006, the division received respondent's application to renew his mortgage loan originator license. As part of the renewal application questions, respondent answered "No" to the question: "Are there any felony or misdemeanor charges pending against applicant?" **Ex. D.**

15. On or about November 3, 2008, the division received respondent's application to renew his mortgage loan originator license. As part of the renewal application questions, respondent answered "No" to the question: "Has the applicant ever been convicted of any misdemeanor or felony in this state or any other state?" Ex. D.

16. On or about November 26, 2007, the division received MSI's application to renew its mortgage broker license. As part of the renewal application questions, respondent, as MSI's president and 100% owner, answered "No" to the question: "Since filing your previous renewal application or since becoming licensed (if your company has not previously filed a renewal application), has any key officer, member, partner or owner been convicted of any misdemeanor or felony (other than minor traffic offenses) in this state or any other state?" Ex. E.

17. Pursuant to s. 224.77(1)(a), 2007 Stats., no mortgage broker or loan originator may make a material misstatement in an application for registration, or in information furnished to the division.

18. Pursuant to s. 224.77(2m)(a)1.b., Stats., if the division finds that a mortgage loan originator has violated any provision of subch. III, ch. 224, Stats., the division may revoke, suspend, limit, or condition any license of the mortgage loan originator.

18. Respondent violated s. 224.77(1)(a), 2007 Stats., by not disclosing in his October 2006 loan originator license renewal his pending misdemeanor charges.

20. Respondent violated s. 224.77(1)(a), 2007 Stats., by not disclosing in his November 2008 loan originator license renewal his misdemeanor conviction.

21. Respondent violated s. 224.77(1)(a), 2007 Stats., by not disclosing in MSI's November 2007 mortgage broker license renewal his misdemeanor conviction.

#### ORDER

**22. Based on the foregoing, IT IS HEREBY ORDERED that respondent's Wisconsin mortgage loan originator license is revoked.**

23. The provisions of this order shall be binding upon respondent. 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.

24. The effective date of this Order shall be the date it is served, and service is complete upon mailing. Secs. 227.48(1), Stats., and DFI—Bkg 11.09, Admin. Code.

Dated and mailed at Madison, Wisconsin this 13<sup>th</sup> day of October, 2011.

By: \_\_\_\_\_  
Michael J. Mach, Administrator  
Wisconsin Department of Financial Institutions  
Division of Banking  
P.O. Box 7876  
345 W. Washington Avenue, 4<sup>th</sup> Floor  
Madison, WI 53707-7876  
tel. (608) 266-0451  
fax (608) 267-6889

#### APPEAL

Pursuant to Wisconsin Statutes section 224.77(3m), a person whose license has been denied, revoked, suspended, limited, or conditioned may request a hearing under s. 227.44 within 30 days after the date of denial, revocation, suspension, limitation, or conditioning of the license.

The procedures to appeal this order are set forth in s. 227.42, Stats. Pursuant to s. 227.42(1), Stats., any person filing a written request with an agency for hearing shall have the right to a hearing which shall be treated as a contested case if:

- (a) A substantial interest of the person is injured in fact or threatened with injury by agency action or inaction;
- (b) There is no evidence of legislative intent that the interest is not to be protected;
- (c) The injury to the person requesting a hearing is different in kind or degree from injury to the general public caused by the agency action or inaction; and
- (d) There is a dispute of material fact.

All four criteria set forth in s. 227.42(1), Stats., must be met for a person to have the right to a hearing. In particular, the attention of an individual or entity requesting a hearing is directed to the requirement to demonstrate that there is a dispute of material fact regarding the basis or bases for the action being taken by the division.

The request shall be sent to:

Michael J. Mach, Administrator  
Wisconsin Department of Financial Institutions  
Division of Banking  
P.O. Box 7876  
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