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ORDER

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

TO: Landlover's LLC
1833 Executive Drive, Suite 105
Oconomowoc, WI 53066
Respondent

Deborah Bergman
1833 Executive Drive, Suite 105
Oconomowoc, WI 53066
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 Landlover's LLC and respondent Deborah Bergman ("Bergman"), Landlover's LLC's managing member and 100% owner.

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. Landlover's LLC does not hold a license under ch. 224, subch. III, Stats., with the division. Upon information and belief, 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:

7. On January 10, 2011, the division issued a Notice ("2011 Notice") denying Landlover's LLC's mortgage broker license renewal application. **Ex. 1.**

8. On or about May 20, 2011, the division received a mortgage broker license application from Landlover's LLC. According to the records of the Nationwide Mortgage Licensing System ("NMLS") and the division, Bergman is Landlover's LLC's managing member and 100% owner.

9. As of May 20, 2011, Landlover's LLC's online record reflected that Landlover's LLC answered "Yes" to the disclosure questions "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority found the entity or a control affiliate to have been a cause of a financial services-related business having its authorization to do business denied, suspended, revoked or restricted?" and "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority denied, suspended, or revoked the entity's or a control affiliate's registration or license or otherwise, by order, prevented it from associating with a financial services-related business or restricted its activities?"

10. For any disclosure question that is answered "Yes," an applicant is required to provide to the division complete details of all events or proceedings, as well as a copy of any applicable orders or documents. **Ex. 2.**

11. On or about May 23, 2011, the division received an application checklist (**Ex. 2**) from Landlover's LLC, along with a three page document ("document submitted") (**Ex. 3**), which is, in some ways, similar to the 2011 Notice. The differences between the document submitted and the 2011 Notice are described in paras. 12. through 16.

12. The 2011 Notice is 8 pages, but the document submitted is 3 pages.

13. Each page of the 2011 Notice is numbered, but the document submitted has no page numbers.

14. Each paragraph of the 2011 Notice is numbered. The document submitted was altered by eliminating the paragraph numbers on all paragraphs but paragraphs 1 through 6 and 59.

15. Paragraphs 16 and 18 through 56 are part of the 2011 Notice, but are not part of the document submitted.

16. Page 3 of the document submitted was altered so that paragraphs 57 through 59 (from page 7 of the 2011 Notice) are directly below paragraph 17 (from page 3 of the 2011 Notice).

17. Pursuant to s. 224.77(1)(a), Stats., no mortgage broker, and no member, officer, director, principal, partner, trustee, or other agent of a mortgage broker, may make a material misstatement, or knowingly omit a material fact, in a license application or in other information or reports furnished to the division, to NMLS, or to any other governmental agency, including failing to disclose a criminal conviction or any disciplinary action taken by a state or federal regulatory agency.

18. Pursuant to s. 224.77(1)(m), Stats., no mortgage broker, and no member, officer, director, principal, partner, trustee, or other agent of a mortgage broker, may engage in conduct, whether of the same or a different character than specified elsewhere in subch. III, ch. 224, Stats., that constitutes improper, fraudulent, or dishonest dealing.

19. By altering a lawful order of the division, and thereafter submitting the altered document to the division as part of its mortgage broker application, Landlover's LLC and Bergman violated ss. 224.77(1)(a) and (m), Stats.

20. As of May 20, 2011, Landlover's LLC's online record reflected that Landlover's LLC answered "No" to the disclosure question "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority found the entity or a control affiliate to have made a false statement or omission or been dishonest, unfair or unethical?"

21. As set forth in the 2011 Notice, the division found that Landlover's LLC made false statements or omissions in its transition and renewal filings.

22. By answering "No" to the disclosure question described in para. 20., Landlover's LLC and Bergman violated s. 224.77(1)(a), Stats.

23. Pursuant to s. 224.77(2m)(a)1., Stats., if the division finds that a mortgage broker has violated any provision of subch. III, ch. 224, Stats., the division may deny any application for initial issuance or renewal of a license; revoke, suspend, limit, or condition any license of the mortgage broker; or reprimand the mortgage broker.

ORDER

Based on the foregoing, IT IS HEREBY ORDERED AS FOLLOWS:

24. All future submissions made by Landlover's LLC or Bergman to the division or NMLS shall be complete and accurate in each and every respect.

25. Landlover's LLC and Bergman shall not alter in any way anything received by Landlover's LLC or Bergman from the division, NMLS, or any regulatory authority.

26. On the effective date of this order, the division will issue Landlover's LLC's Wisconsin mortgage broker license. This order is being issued as a condition of the division issuing a license to Landlover's LLC.

27. The provisions of this order shall be binding upon Bergman, Landlover's LLC, and Landlover's LLC'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.

28. 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 17th day of August, 2011.

By: _____
Michael J. Mach, Administrator
Wisconsin Department of Financial Institutions
Division of Banking
P.O. Box 7876
345 W. Washington Avenue, 4th 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
345 W. Washington Avenue, 4th Floor
Madison, WI 53707-7876
tel. (608) 266-0451