# ORDER

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

TO: 1st Step Mortgage Group, Inc.
6876 Spring Creek Road, Suite 124
Rockford, IL 61114
Respondent

## PURPOSE

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

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.

Respondent holds a license as a mortgage banker under ch. 224, subch. III, Stats., with the division, license #3777BA. Respondent is located at the address indicated above.

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.

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.

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:**

1. On or about May 15, 2013, the division received a notice from Liberty Mutual Insurance Company indicating that respondent's surety bond (#285032413) would be cancelled. The effective date of the cancellation was July 14, 2013. **Ex. 1.**

2. On May 28, 2013, a deficiency was placed on respondent's file on the Nationwide Mortgage Licensing System ("NMLS") regarding the cancellation of respondent's surety bond. **Ex. 2.**

3. The division has not received a rescission of the cancellation notice or a new surety bond as required by s. 224.72(4)(a)2., Stats.

4. Pursuant to s. 224.77(2m)(a)1.b., Stats., if the division finds that a mortgage banker has violated any provision of ch. 224, subch. III, Stats., or any rule promulgated thereunder, the division may revoke the mortgage banker's license.

5. Pursuant to s. 224.77(1)(i), Stats., no mortgage banker may demonstrate a lack of competency to act as a mortgage banker in a way which safeguards the interest of the public. Pursuant to s. DFI-Bkg 43.02(15), Admin. Code, failing to maintain in force the required surety bond demonstrates a lack of competency to act as a mortgage banker in a way which safeguards the interest of the public.

6. By not maintaining a surety bond, respondent has demonstrated a lack of competency to act as a mortgage banker in a way which safeguards the interest of the public.

## ORDER

**7. Based on the foregoing, IT IS HEREBY ORDERED that respondent's license as a mortgage banker is revoked.**

8. The provisions of this order shall be binding upon respondent and respondent'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.

9. 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 16th day of July, 2013.

By: [redacted]
Michael J. Mach, Administrator
Wisconsin Department of Financial Institutions
Division of Banking
P.O. Box 7876
201 W. Washington Avenue, Suite 500
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:

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