STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Connie Switzer,   **Enforcement Case No. 18-15357**

Respondent.

_____/

Issued and entered,
this _29th_ day of _October_ 2018
by Teri L. Morante,
Chief Deputy Director

ORDER OF PROHIBITION

WHEREAS, pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation have been transferred to the Director of the Department of Insurance and Financial Services (DIFS); and,

WHEREAS, the Director of DIFS (Director) is statutorily charged with the responsibility and authority to administer and implement the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), 1987 PA 173, as amended, MCL 445.1651 *et seq.* and the Mortgage Loan Originator Licensing Act (MLOLA), 2009 PA, 75, MCL 493.131 *et seq.*, pursuant to provisions therein; and,

WHEREAS, Section 18a(8) of the MBLSLA, MCL 445.1668a(8), and Section 27(8) of the MLOLA, MCL 493.157(8), provides for the prohibition of a person convicted of a felony involving fraud, dishonesty, or breach of trust, from being a licensee or registrant and from being employed by, an agent of, or control person of any licensee or registrant under the Act or a licensee or registrant under a financial licensing act; and,

WHEREAS, Section 18a(8) of the MBLSLA, MCL 445.1668a(8), and Section 27(8) of the MLOLA, MCL 493.157(8), provides that a person subject to an Order issued thereunder, may apply to the Director to terminate the Order after 5 years from the date of the Order; and,

WHEREAS, pursuant to Section 18b(2) of the MBLSLA, MCL 445.1668b(2) and Section 27(11) of the MLOLA, MCL 493.157(11), Connie Switzer (Respondent) may have a right to judicial review of this Order; and,

WHEREAS, Respondent was employed as a bookkeeper and recordkeeper at Sterling Mortgage & Investment Co. (SMIC). While in her official capacity, Respondent schemed to defraud SMIC by converting cash and mortgage payments to her own use, crediting customer accounts for payments they had not made, inserting herself as "payee" on blank money orders and cashing them for her own use, and falsifying books

and records to show payments that were not made, causing SMIC to issue dividends to investors that they were not entitled to. The total loss to SMIC was calculated at $502,902.39 and was comprised of $241,020.98 total overpayment to investors, $244,014.61 total cash receipts kept, $16,674.99 total money orders converted, and $1,191.81 total redemption overpayment to investors.

WHEREAS, on or about September 25, 2017, Respondent pled guilty and was convicted of felony Mail Fraud in the United States District Court, Eastern District of Michigan, Case No. 16-20345; and,

WHEREAS, that conviction having involved fraud, dishonesty, or breach of trust, Respondent is subject to prohibition by the Director, pursuant to MCL 445.1668a(8) and MCL 493.157(8); and,

WHEREAS, the Director finds and concludes as a matter of law and fact that Respondent shall be and is eligible for and subject to prohibition by the Director, pursuant to MCL 445.1668a(8) and MCL 493.157(8),

NOW THEREFORE, IT IS ORDERED that:

1. Connie Switzer is prohibited from being a licensee or registrant, and from being employed by, an agent of, or control person of any licensee or registrant, under the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, MCL 445.1651 *et seq.* and the Mortgage Loan Originator Licensing Act, 2009 PA, 75, MCL 493.131 *et seq.*, or a licensee or registrant under a financial licensing act.

2. This Order shall be and is effective on the date it is issued and entered, as shown in the caption hereof. This Order shall remain in effect until terminated, modified, or set aside in writing by the Director.

DEPARTMENT OF INSURANCE AND
FINANCIAL SERVICES

Teri L. Morante
Chief Deputy Director