

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services

Enforcement Case No. 16-14534

Petitioner,

v

Timothy Rousse
NMLS No. 1004427

Respondent.

_____ /

Issued and entered,
this 28th day of February 2018
by Rhonda J. Fossitt,
Senior 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 Loan Originator Licensing Act (MLOLA), 2009 PA 75, as amended, MCL 493.131 *et seq.*, and the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), 1987 PA 173, as amended, MCL 445.1651 *et seq.*, pursuant to provisions therein; and

WHEREAS, Section 27(1) of the MLOLA, MCL 493.157(1), provides for the issuance of a written notice of intention to prohibit a person that has engaged in fraudulent conduct from being employed by, an agent of, or control person of a licensee or registrant under this act or a licensee or registrant under a financial licensing act; and

WHEREAS, Section 27(5) of the MLOLA, MCL 493.157(5), 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, Section 27(7) of the MLOLA, MCL 493.157(7), provides unless otherwise agreed to by the Director and the individual served with an order issued under subsection (6), the Director shall hold the hearing required under subsection (2) to review the suspension not earlier than 5 days or later than 20 days after the date of the notice; and

WHEREAS, Section 18a(1) of the MBLSLA, MCL 445.1668a(1), provides for the issuance of a written notice of intention to prohibit a person that has engaged in fraudulent conduct from being employed by, an agent of, or control person of a licensee or registrant under this act or a licensee or registrant under a financial licensing act; and

WHEREAS, Section 18a(5) of the MBLSLA, MCL 445.1668a(5), provides after 5 years from the date of an order issued under subsection (2) or (3), the individual subject to the order may apply to the Director to terminate the order; and

WHEREAS, Section 18a(7) of the MBLSLA, MCL 445.1668a(7), provides unless otherwise agreed to by the Director and the individual served with an order issued under subsection (6), the hearing required under subsection (2) to review the suspension shall be held not earlier than 5 days or later than 20 days after the date of the notice; and

WHEREAS, based upon information derived from the exercise of its regulatory responsibilities and a thorough review of pertinent documents obtained therewith, DIFS has good cause and reason to believe that Respondent has engaged in fraudulent conduct and that there are, therefore, grounds to initiate an administrative prohibition proceeding against him pursuant to Section 27(3) of the MLOLA and Section 18a(3) of the MBLSLA, MCL 493.157(3) and MCL 445.1668a(3); and,

WHEREAS, on June 15, 2017, DIFS issued a NOTICE OF INTENTION TO PROHIBIT, STATEMENT OF FACTUAL ALLEGATIONS, ORDER FOR HEARING, and NOTICE OF HEARING alleging Respondent engaged in fraudulent conduct; and,

WHEREAS, Respondent neither admits nor denies that he engaged in fraudulent conduct; and

WHEREAS, Respondent stipulated and consented to the entry of this Order of Prohibition and, therefore, waived the right to a hearing in this matter; 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 Section 27(3) of the MLOLA and Section 18a(3) of the MBLSLA, MCL 493.157(3) and MCL 445.1668a(3),

NOW THEREFORE, IT IS ORDERED that:

1. Timothy Rouse 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 MLOLA, the MBLSLA, or any 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**

A handwritten signature in blue ink that reads "Rhonda J. Fossitt". The signature is written in a cursive style with a horizontal line underneath the name.

Rhonda J. Fossitt
Senior Deputy Director

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FEB 23 2018

DIFS/OGC

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Timothy Rousse
NMLS No. 1004427

Enforcement Case No. 16-14534

Respondent.

_____ /


**STIPULATION TO ENTRY OF ORDER
OF PROHIBITION**

Timothy Rousse (Respondent) hereby stipulates and agrees to the following:

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of the Department of Insurance and Financial Services (Director).
2. Respondent filed an application via the Nationwide Multistate Licensing System (NMLS) for a mortgage loan originator license on September 8, 2015, pursuant to the Mortgage Loan Originator Licensing Act (MLOLA), 2009 PA 75, as amended, MCL 493.131 *et seq.*
3. In reviewing Respondent's application, the Department of Insurance and Financial Services (DIFS) Staff determined that Respondent had engaged in fraudulent conduct.
4. Thereafter, DIFS and Respondent conferred for purposes of resolving this matter and have determined to settle this matter pursuant to the terms set forth below.
5. The Senior Deputy Director of DIFS has jurisdiction and authority to adopt and issue the attached Order of Prohibition pursuant to the MLOLA and the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), 1987 PA 173, as amended, MCL 445.1651 *et seq.*
6. At all relevant times, Respondent was not a licensed mortgage loan originator under the MLOLA.
7. At all relevant times, Respondent was not a licensed mortgage broker or lender under the MBLSLA.
8. Respondent, in response to DIFS' investigation, neither confirms nor denies that he engaged in fraudulent conduct.
9. Section 27(1) of the MLOLA, MCL 493.157(1), provides that if in the opinion of the commissioner an individual has engaged in fraud, the Director may serve on that person a written notice of intention to prohibit that individual from being licensed under this act, licensed or registered under any of the financial licensing acts, or employed by, an agent of, or a control person of a licensee or registrant under any of the financial licensing acts.

10. Section 18a(1) of the MBLSLA, MCL 445.1668a(1), provides that if in the opinion of the Director a person has engaged in fraud, the Director may serve upon that person a written notice of intention to prohibit that person from being employed by, an agent of, or control person of a licensee or registrant under this act or a licensee or registrant under a financial licensing act.
11. Based upon information derived from the exercise of its regulatory responsibilities and a thorough review of pertinent documents obtained therewith, DIFS has good cause and reason to believe that Respondent has engaged in fraudulent conduct and that there are, therefore, grounds to initiate an administrative prohibition proceeding against him pursuant to Section 27(3) of the MLOLA and Section 18a(3) of the MBLSLA, MCL 493.157(3) and MCL 445.1668a(3); and,
12. On June 15, 2017, DIFS issued a NOTICE OF INTENTION TO PROHIBIT, STATEMENT OF FACTUAL ALLEGATIONS, ORDER FOR HEARING, and NOTICE OF HEARING alleging Respondent engaged in fraudulent conduct; and,
13. Respondent agrees to the imposition of an Order of Prohibition pursuant to Section 27(3) of the MLOLA and Section 18a(3) of the MBLSLA, MCL 493.157(3) and MCL 445.1668a(3).
14. Respondent agrees that the procedural requirements of the MLOLA and the MBLSLA have been met in all respects by both parties.
15. Respondent understands and agrees that this Stipulation will be presented to the Senior Deputy Director for approval. The Senior Deputy Director may, in her sole discretion, decide to accept or reject the Stipulation and Order. If the Senior Deputy Director accepts the Stipulation and Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Order. If the Senior Deputy Director does not accept the Stipulation and Order, Respondent waives any objection to the Director holding a formal administrative hearing and making her decision after such hearing.
16. Respondent agrees that the Senior Deputy Director has jurisdiction and authority under the provisions of the Michigan Administrative Procedures Act, MCL 24.201 *et seq.*, the MLOLA, and the MBLSLA to accept this Stipulation to Entry of Order of Prohibition and to issue an Order Prohibition resolving these proceedings.
17. Respondent understands and agrees that the failure to abide by and fully comply with the terms and conditions of this Stipulation and Order may, at the discretion of the Senior Deputy Director, result in further administrative compliance actions.

18. Respondent has had an opportunity to review this Stipulation and the accompanying Order of Prohibition and have the same reviewed by legal counsel.

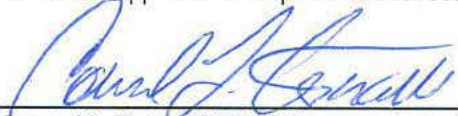


Timothy Rousse

2/17/18

Dated

DIFS Staff approve this Stipulation and recommend that the Senior Deputy Director issue the Order of Prohibition.



Conrad L. Tatnall (P69785)
DIFS Staff Attorney

2/23/18

Dated