

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

WILLIAM JAMES TILLACK
NMLS No. 167766

Enforcement Case No. 13-11889

Applicant.

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Issued and Entered,
This 7th day of February, 2014,
By Rhonda J. Fossitt,
Senior Deputy Director

ORDER OF DENIAL
OF MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION

I.
STATEMENT OF LAW

1. The Director of the Department of Insurance and Financial Services (DIFS) regulates and licenses Mortgage Loan Originators in Michigan pursuant to the Mortgage Loan Originator Licensing Act, 2009 P.A. 75, as amended, MCL 493.131 *et seq.* (the Act).
2. Section 9(1)(d) of the Act prohibits the Director from issuing a license unless the Director finds that, “[t]he applicant has demonstrated financial responsibility, character, and general fitness that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of this act.” MCL 493.139(1)(d).
3. Section 33(1)(a) of the Act empowers the Director to investigate an applicant for licensing to determine compliance with the Act. MCL 493.163(1)(a).

II.
FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. On or about November 10, 2011, Woodward Property Investments, LLC dba Midwest Financial Holdings dba Northwest Servicing dba Woodward Contract Holdings

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(Woodward Property) filed with the Office of Financial and Insurance Regulation¹, an application for licensure as a mortgage broker, lender, and servicer pursuant to Section 3(1) of the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), 1987 PA 173, as amended, MCL 445.1651 *et seq.* Applicant was a 50% owner of Woodward Property.

2. On August 22, 2013, DIFS issued a Notice of Denial of Mortgage Broker, Lender, and Servicer License and Notice of Opportunity for Hearing to Woodward Property (Notice of Denial). In its Notice of Denial, DIFS asserted that Applicant failed to demonstrate that he is capable of operating Woodward Property under the laws that regulate the mortgage industry.
3. In particular, Staff determined that Applicant, as the 50% owner of Woodward Property, allowed Woodward Property to engage in unlicensed activity prior to obtaining a license under the MBLSLA. Woodward Property serviced its own mortgage loan accounts of four or more installment payments of the principal, interest, or an amount placed in escrow under a mortgage loan, mortgage servicing agreement, or an agreement with the mortgagor, without a license to engage such activities. Woodward Property also made mortgage loans to a number of individuals without the requisite license to engage in such activity under the MBLSLA.
4. The Notice further declared that the Staff's experience with Applicant confirmed his failures to comply with the provisions of the MBLSLA, and Applicant failed to demonstrate he is capable of adhering to the standards and requirements of a Mortgage Broker, Lender, and Servicer license. DIFS issued a Final Order of Refusal to Issue a License under the Mortgage Brokers, Lenders, and Servicers Licensing Act on October 24, 2013.
5. Based on the foregoing facts and Applicant's disregard for the mortgage laws that regulate the activities of his company and which led to the denial of licensure for Woodward Property, Applicant has not demonstrated the character and general fitness that commands the confidence of the community and warrants a determination that the Applicant will operate honestly, fairly and efficiently as required to satisfy Section 9(1)(d) of the Act, MCL 493.139(1)(d).
6. Based on the foregoing facts, the Director finds and concludes that Applicant has failed to meet the minimum licensing requirements of Section 9(1) of the Act, MCL 493.139(1), and is therefore ineligible for licensure under the Act.

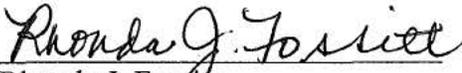
¹ Pursuant to Executive Order 2013-1, effective March 18, 2013, the Office of Financial and Insurance Regulation is now known as the Department of Insurance and Financial Services (DIFS). During the pending of this matter all authority, powers, duties, functions and responsibility of the Commissioner of the Office of Financial and Insurance Regulation were transferred to the Director of DIFS (the Director).

**III.
ORDER**

Based on the Statement of Law, Findings of Fact, and Conclusions of Law above, it is **ORDERED** that:

1. The application of **William James Tillack** for licensure as a Mortgage Loan Originator under the Act shall be and hereby is **DENIED**.
2. **William James Tillack** shall immediately cease and desist from conducting any activities that require licensure under the Act.

**DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES**


Rhonda J. Fossitt
Senior Deputy Director

Dated: February 7, 2014

**IV.
APPEAL**

This Order of Denial is an administrative order subject to judicial review pursuant to the Michigan Constitution, MCL Const. Art. 6, § 28, and subject to the Revised Judicature Act, MCL 600.631.