

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Neal Winnie
NLMS ID No. 259321

Enforcement Case No. 18-15268

Respondent.
_____ /

Issued and entered,
this 15th day of May 2019
by Teri L. Morante,
Chief Deputy Director

ORDER OF PROHIBITION

WHEREAS, the Director of The Department of Insurance and Financial Services (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(2) of the MBLSLA, MCL 445.1668a(2), and Section 27(2) of the MLOLA, MCL 493.157(2), 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 an executive officer of a licensee under this act; and,

WHEREAS, Section 18a(5) of the MBLSLA, MCL 445.1668a(5), and 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 18a(2) of the MBLSLA, MCL 445.1668a(2), and Section 27(2) of the MLOLA, MCL 493.157(2), provides the Director shall set a hearing on the matter to be held not more than 60 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 Respondent pursuant to Section 18a of the MBLSLA, MCL 445.1668a, and Section 27 of the MLOLA, MCL 493.157; and,

WHEREAS, on February 20, 2019, 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,

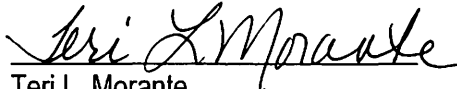
WHEREAS, Respondent stipulated and consented to the entry of this Order of Prohibition and, therefore, waived the right to a hearing in this matter; and,

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 18a of the MBLSLA, MCL 445.1668a, and Section 27 of the MLOLA, MCL 493.157.

NOW THEREFORE, IT IS ORDERED that:

1. Neal Winnie 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

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

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STIPULATION TO ENTRY OF ORDER OF PROHIBITION

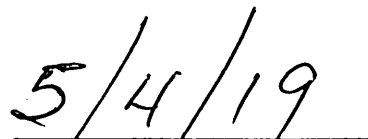
Neal Winnie (Respondent) stipulates and agrees to the following:

1. On or about February 20, 2019, the Department of Insurance and Financial Services (DIFS) served Respondent with a Notice of Intention to Prohibit and Statement of Factual Allegations alleging that Respondent had violated provisions of the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), 1987 P.A. 173, as amended, MCL 445.1651 *et seq.*, and the Mortgage Loan Originator Licensing Act (MLOLA), 2009 PA, 75, MCL 493.131 *et seq.*
2. The Notice of Intention to Prohibit contained allegations that Respondent violated Section 22(b) of the MBLSLA, MCL 445.1672(b) and Section 35(a) of the MLOLA, MCL 493.165(a), and set forth the applicable laws and the penalties which apply.
3. DIFS finds and concludes that Respondent engaged in fraud by assisting in altering documentation, securing fictitious invoices, and submitting these materials to lenders in connection with residential mortgage loan transactions in violation of Section 22(b) of the MBLSLA, MCL 445.1672(b) and Section 35(a) of the MLOLA, MCL 493.165(a).
4. DIFS and Respondent have conferred and have agreed this matter may be resolved pursuant to the terms set forth below.
5. Respondent neither admits nor denies the allegations contained in the Notice of Intention to Prohibit and Statement of Factual Allegations and desires to avoid the time and expense of formal proceedings and agrees to resolve this matter pursuant to this Stipulation to Entry of Order of Prohibition.
6. Section 18a of the MBLSLA, MCL 445.1668a, and Section 27 of the MLOLA, MCL 493.157, provide that if in the opinion of the commissioner a person has engaged in fraud, the commissioner may serve upon that person a written notice of intention to prohibit that person from being employed by, an agent of, or a control person of a licensee or registrant under any of the financial licensing acts. As used in these subsections, "fraud" includes actionable fraud, actual or constructive fraud, criminal fraud, extrinsic or intrinsic fraud, fraud in the execution, in the inducement, in fact, or in law, or any other form of fraud.

7. Respondent agrees to the imposition of an Order of Prohibition pursuant to Section 18a of the MBLSLA, MCL 445.1668a, and Section 27 of the MLOLA, MCL 493.157.
8. Respondent agrees that both parties have complied with the procedural requirements of the Michigan Administrative Procedures Act, 1969 PA 306, MCL 24.201 *et seq.*, the MBLSLA, and the MLOLA.
9. Respondent has had an opportunity to review the Stipulation to Entry of Order of Prohibition and have the same reviewed by legal counsel.
10. Respondent understands and agrees that this Stipulation to Entry of Order of Prohibition will be presented to the Chief Deputy Director for approval. The Chief Deputy Director may, in her sole discretion, decide to accept or reject the Stipulation to Entry of Order of Prohibition. If the Chief Deputy Director accepts the Stipulation to Entry of Order of Prohibition, Respondent waives the right to a hearing in this matter and consents to the entry of the Order of Prohibition. If the Chief Deputy Director does not accept the Stipulation to Entry of Order of Prohibition, Respondent waives any objection to the Director holding a formal administrative hearing and making a decision after such hearing.
11. Respondent understands and agrees that the failure to abide by and fully comply with the terms and conditions of this Stipulation and Order of Prohibition may, at the discretion of the Chief Deputy Director, result in further administrative compliance actions.



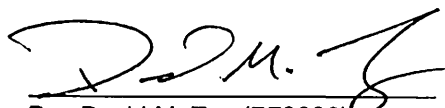
Neal Winnie



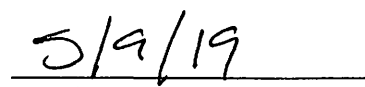
Dated

DIFS Staff approve this Stipulation to Entry of Order and recommend that the Director issue an Order of Prohibition.

Department of Insurance and Financial Services



By: David M. Toy (P73000)
Staff Attorney



Dated