
*
IN THE MATTER OF: *
*
FOUNDATION FINANCE *
COMPANY LLC *
NMLS # 916914 *
*
(“FFC”) *
*

CONSENT ORDER

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Part II of Chapter 668, Sections 36a-535 to 36a-547, inclusive, of the Connecticut General Statutes, “Finance Companies”;

WHEREAS, FFC is a Delaware corporation that is located at 10101 Market Street, Suite B100, Rothschild, Wisconsin;

WHEREAS, FFC has been licensed as a sales finance company in Connecticut since May 8, 2012;

WHEREAS, on May 29, 2020, the Commissioner, through the Consumer Credit Division of the Department of Banking, commenced a routine examination pursuant to Section 36a-17(a) of the Connecticut General Statutes into the activities of FFC to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner;

WHEREAS, as a result of such examination, the Commissioner alleges that from January 1, 2019 to August 31, 2020, FFC engaged in the business of a sales finance company in Connecticut from an unlicensed location, in violation of Section 36a-536 of the Connecticut General Statutes;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against FFC, including proceedings to issue a cease and desist order against FFC pursuant to Section 36a-543(d) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes and impose a civil penalty on FFC pursuant to Section 36a-543(d) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes;

WHEREAS, initiation of such enforcement proceedings would constitute a “contested case” within the meaning of Section 4-166(2) of the Connecticut General Statutes;

WHEREAS, Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, the Commissioner and FFC acknowledge the possible consequences of formal administrative proceedings, and FFC voluntarily agrees to consent to the entry of the sanctions described below without admitting or denying any allegation set forth herein and solely for the purpose of obviating the need for further formal administrative proceedings concerning the allegation contained herein;

WHEREAS, FFC herein represents to the Commissioner that it has reviewed and updated its internal policies, procedures and controls for ensuring compliance with sales finance company licensure requirements in Connecticut;

AND WHEREAS, FFC, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to notice and an opportunity for a hearing as it pertains to the allegation set forth herein, and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, FFC, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. No later than the date this Consent Order is executed by FFC, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Ten Thousand Dollars (\$10,000) as a civil penalty.
2. No later than the date this Consent Order is executed by FFC, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Four Hundred Dollars (\$400) for back licensing fees.
3. FFC shall not engage in the business of a sales finance company in Connecticut from an unlicensed location, in violation of Section 36a-536 of the Connecticut General Statutes.

CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against FFC based upon the allegation contained herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against FFC based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by FFC and reflected herein is subsequently discovered to be untrue;
3. Except as specifically provided herein, FFC shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects FFC's (i) testimonial obligations; or (ii) right to take legal or factual that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by FFC and its control persons, as applicable, on NMLS, nothing in the issuance of this Consent Order shall adversely affect the ability of FFC to apply for or obtain licenses or renewal licenses under Part II of Chapter 668, Sections 36a-535 *et seq.*, of the Connecticut General Statutes, provided all applicable legal requirements for such license are satisfied and the terms of this Consent Order are followed;

5. This Consent Order shall be binding upon FFC and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut,
this 21st day of December 2022.

/s/

Jorge L. Perez
Banking Commissioner

I, Alex Mladek, state on behalf of Foundation Finance Company LLC, that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Foundation Finance Company LLC; that Foundation Finance Company LLC agrees freely and without threat or coercion of any kind to comply with the sanction entered and terms and conditions ordered herein; and that Foundation Finance Company LLC voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/
Name: Alex Mladek
Title: CEO/CFO
Foundation Finance Company LLC

State of: Wisconsin

County of: Marathon

On this the 14 day of December 2022, before me, Alex Mladek, the undersigned officer, personally appeared , who acknowledged himself/~~herself~~ to be the CEO/CFO of Foundation Finance Company LLC, a member managed/~~manager~~ managed limited liability company, and that he/~~she~~ as such CEO/CFO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself/~~herself~~ as CEO/CFO.

In witness whereof I hereunto set my hand.

/s/
Notary Public – Sara E. Bever
Date Commission Expires: Feb. 26, 2023