JOHN C. ALBERT
CIRCUIT COURT, BR. 3

STATE OF WISCONSIN CIRCUIT COURT DANE COUNTY

2012 DEC 28 AM 10: 58
DANE CO. CIRCUIT COURT

STATE OF WISCONSIN,

Plaintiff,

v.

Case No. 12 CX 53

Complex Forfeiture: 30109

LAURA SCHUSTER
6838 Chester Drive
Madison, WI 53719

Defendant.

THIS IS AN AUTHENTICATED COPY OF THE ORIGINAL DOCUMENT FILED WITH THE DANE COUNTY CLERK OF CIRCUIT COURT.

SUMMONS

CARLO ESQUEDA
CLERK OF CIRCUIT COURT

THE STATE OF WISCONSIN

To each person named above as a defendant:

You are hereby notified that the plaintiff named above has filed a lawsuit or other legal action against you. The complaint, which is attached, states the nature and basis of the legal action.

Within twenty (20) days of receiving this summons, you must respond with a written answer, as that term is used in Wis. Stat. ch. 802, to the complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address Dane County Circuit Court, 215 South Hamilton Street, Madison, Wisconsin 53703, and to Lewis W. Beilin, Assistant Attorney General, plaintiff's attorney, whose address

is Department of Justice, Post Office Box 7857, Madison, Wisconsin 53707-7857. You may have an attorney help or represent you.

If you do not provide a proper answer within twenty (20) days, the court may grant judgment against you for the award of money or other legal action requested in the complaint, and you may lose your right to object to anything that is or may be incorrect in the complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated this 28th day of December, 2012.

Respectfully submitted,

J.B. VAN HOLLEN
Attorney General

LEWIS W. BEILIN
Assistant Attorney General
State Bar #1038835

Attorneys for State of Wisconsin

Wisconsin Department of Justice
Post Office Box 7857
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COMPLAINT

CARLO ESPEDA
CLERK OF CIRCUIT COURT

The State of Wisconsin, by its attorneys, J.B. Van Hollen, Attorney General and Assistant Attorney General Lewis W. Beilin, brings this action against the defendant named above and alleges as follows:

PARTIES

1. Plaintiff State of Wisconsin is one of the United States of America and has its seat of government at State Capitol, Madison, Wisconsin.

2. Defendant Laura R. Schuster (hereinafter, "Schuster") is an adult resident of the State of Wisconsin. At all times relevant to this Complaint she was the principal of Midwest Homeowner Solutions, LLC (hereinafter, "Midwest").

JURISDICTION AND VENUE

3. The court has subject matter jurisdiction over this action pursuant to Wis. Stat. § 220.04(10).

4. Venue is proper in Dane County pursuant to Wis. Stat. § 801.50(2)(a) and (c).

FACTS

5. On November 30, 2010, the Administrator of the Division of Banking of the Wisconsin Department of Financial Institutions (hereinafter, "Administrator," and "DFI") issued an order (hereinafter, "Order I"), finding that Schuster and her company, Midwest Homeowner Solutions, LLC (hereinafter, "Midwest"), had violated Wis. Stat. § 218.02 by conducting adjustment service company business without first obtaining a license.

6. Order I required Schuster and Midwest to immediately discontinue any and all violations of Wis. Stat. § 218.02. Order I further required Schuster and Midwest to refund all monies paid by two customers who had filed complaints with DFI, and to provide refunds to all other Wisconsin clients from whom they had unlawfully received fees for adjustment services. A copy of Order I is attached hereto as Exhibit A and is incorporated herein by reference.

7. Neither Schuster nor Midwest complied with Order I.

8. On January 28, 2011, DFI issued a Notice of Hearing to Midwest and Schuster, informing them that a hearing would be held on March 2, 2011, pursuant to Wis. Stat. § 227.44, at which time the matter of Schuster and Midwest's violations of Wis. Stat. § 218.02 and their non-compliance with Order I would be adjudicated. The Notice of Hearing also required Midwest and Schuster to respond

in writing to the allegations in the Notice of Hearing, and to appear for a prehearing conference.

9. Schuster and Midwest did not respond in writing to the Notice of Hearing, as required. Nor did Schuster and Midwest appear at the prehearing conference or the March 2, 2011, hearing.

10. Due to Schuster and Midwest's failure to appear for the March 2, 2011, hearing, or otherwise comply with the Notice of Hearing, the Administrator on March 11, 2012, issued another order (hereinafter, "Order II,") finding that Schuster and Midwest were in default due to their non-response to the Notice of Hearing and non-appearance at the March 2, 2011, hearing, and further finding that as a result of their non-compliance and non-appearance they had admitted the matters asserted in the Notice of Hearing. A copy of Order II is attached hereto as Exhibit B and is incorporated herein by reference.

11. In addition to re-iterating the requirements to comply with the law and refund monies previously set forth in Order I, Order II also required Schuster and Midwest to pay a forfeiture in the amount of $10,000 pursuant to Wis. Stat. § 220.04(9)(f).

12. On March 28, 2011, Schuster and Midwest, by counsel, filed a Petition for Rehearing with the Administrator. The Petition was denied by written decision on April 28, 2011.

13. On May 26, 2011, Schuster and Midwest filed a Petition for Review with the Dane County Circuit Court, seeking judicial review of Order I and Order II

pursuant to Wis. Stat. § 227.57 and alleging that the orders were invalid. The case was captioned *Midwest Homeowner Solutions, LLC and Schuster v. DFI*, Case No. 2011-CV-2435.

14. Following briefing by the parties and oral argument by counsel, the Court denied Schuster and Midwest's Petition for Review by order entered on September 26, 2011. Schuster and Midwest then filed a Motion for Reconsideration with the Court, and after additional briefing and additional oral argument, the Motion for Reconsideration was denied by order entered on October 12, 2011.

15. Neither Schuster nor Midwest appealed the Court's dismissal of their Petition for Review.

16. In the period since the Court's decision, neither Schuster nor Midwest has complied with Order I or Order II.

17. Midwest was administratively dissolved as a company by the Department of Financial Institutions effective June 14, 2011, due to its failure to file proper required documents with DFI. The dissolution was not related to the Administrator's issuance of Order I or Order II. This Complaint names Schuster alone as a defendant because Midwest has been dissolved.

18. Given that Order II contains all the remedial measures previously contained in Order I, and includes an additional forfeiture, the State has decided to seek enforcement of Order II.

COUNT ONE
Violation of Agency Order under Wis. Stat. § 220.04(9)

19. Plaintiff realleges all facts in the preceding paragraphs.

20. Schuster has failed to comply with Order II. Order II has been upheld by the Circuit Court for Dane County on judicial review and is valid and enforceable in every respect.

21. Pursuant to Wis. Stat. Wis. Stat. § 220.04(10), the Department of Financial institutions may bring an action, in the name of the State of Wisconsin, to enforce compliance with orders issued pursuant to Wis. Stat. § 218.02, including Order II.

22. Schuster has failed to comply with Order II.

23. Order II has been upheld by the circuit court on judicial review and is therefore now uncontestable.

24. Wis. Stat. § 220.04(9)(f) provides that a person who violates an order issued under Wis. Stat. § 220.09(d), such as Order II, shall forfeit up to $1,000 per day for each day the violation continues, commencing on the 10 days following delivery of the order.

WHEREFORE, the plaintiff prays for the following relief:

A. A permanent injunction requiring Schuster to comply with Order II by immediately ceasing any unlicensed activity under Wis. Stat. § 218.02.

B. An order that Schuster refund all monies paid by consumers for unlicensed adjustment service company services.

C. An order that Schuster pay a forfeiture of $10,000 plus up to $1,000 per day for each day she has failed to comply with Order II.

D. Such other and further relief as the Court shall conclude is appropriate.

Dated this 28th day of December, 2012.

Respectfully submitted,

J.B. VAN HOLLEN
Attorney General

LEWIS W. BEILIN
Assistant Attorney General
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Attorneys for State of Wisconsin

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