



Federal Housing Finance Agency

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FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (collectively the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), which authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of the regulated entities. *See* 12 U.S.C. 4513(a)(2);
2. Section 1313B of the Safety and Soundness Act, which authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. *See* 12 U.S.C. 4513b(b)(2)(B)(iii); and
3. Section 1319G of the Safety and Soundness Act, which authorizes FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. *See* 12 U.S.C. 4526(a).

Consistent with these authorities, FHFA has determined that any business relationship between Live Well Financial, Inc. (Live Well) and any of the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Michael Christopher Hild was the founder and chief executive officer of Live Well through at least May 2019, and largest shareholder as of September 2016.
2. Live Well was a Richmond, Virginia-based company that primarily involved originating, servicing, and securitizing government-guaranteed reverse mortgages, known as Home Equity Conversion Mortgages (HECM). Beginning in approximately 2011, Live Well began securitizing reverse mortgages into bonds called HECM mortgage-backed securities.
3. Live Well is an affiliate of Michael Christopher Hild, as that term is defined in the FHFA Suspended Counterparty Program Regulation at 12 CFR 1227.2, because Hild directly or indirectly controlled this entity.
4. From at least in or about September 2015 through in or about May 2019, Michael Christopher Hild conspired to commit securities fraud by falsely inflating the value of a portfolio of bonds in order to fraudulently induce securities dealers and a financial

institution into loaning more money to Live Well than they otherwise would have extended.

5. From at least in or about 2015 through at least in or about May 2019, Michael Christopher Hild conspired to commit, and did commit, bank and wire fraud by engaging in a similar scheme to fraudulently induce securities dealers and a financial institution into loaning more money to Live Well than they otherwise would have extended.
6. From at least in or about March 2017 through at least in or about May 2019, Michael Christopher Hild engaged in a scheme to defraud a federally-insured bank by misrepresenting the value of certain collateral in order to induce the bank to make loans secured by the collateral in greater amounts than those that the bank would otherwise extend.
7. On June 10, 2019, an involuntary chapter 7 petition was filed against Live Well in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). On July 1, 2019, the Bankruptcy Court entered the Order for Relief in Live Well’s chapter 7 case. Also on July 1, 2019, David W. Carickhoff was appointed as the chapter 7 trustee (the “Trustee”) of the Live Well bankruptcy estate (the “Estate”). Live Well’s chapter 7 case remains pending before the Bankruptcy Court under case no. 19-11317 (Bankr. D. Del.).
8. On April 30, 2021, Michael Christopher Hild, at the conclusion of a jury trial, was convicted by the United States District Court for the Southern District of New York of securities fraud, wire fraud, and bank fraud, as well as conspiring to do so, and was sentenced to forty-four (44) months imprisonment and three (3) years of supervised release.
9. The conduct underlying the conviction described above occurred in connection with a mortgage business and financial transactions.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Live Well indefinitely, beginning on June 15, 2023. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Live Well’s.

For the avoidance of doubt, other than the above-described restriction on the regulated entities’ authority to enter into new or to continue existing business relationships with Live Well, nothing contained in this Order is intended to or shall be deemed to impair, impact, prejudice, or otherwise affect in any way the rights, claims, counterclaims, defenses, or arguments of the Trustee or the Estate, including without limitation in connection with any pending or future litigation.

This Final Order is a final action of the Federal Housing Finance Agency.

Clinton Jones,
Suspending Official