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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA	:	PA DEPT OF BANKING
DEPARTMENT OF BANKING, BUREAU	:	
OF COMPLIANCE, INVESTIGATION	:	
AND LICENSING,	:	Docket No. 080031 (ENF-CD)
	:	
v.	:	
	:	
CATRINA PONDER also known as	:	
CATRINA M. HUGHES, an individual	:	
	:	
and	:	
	:	
BRETLIN HOME LOANS also known as	:	
BRETLIN HOME MORTGAGE	:	
	:	
and	:	
	:	
BMS Inc. also known as	:	
BRETLIN MORTGAGE SERVICES	:	
	:	

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CEASE AND DESIST ORDER

WHEREAS, the Commonwealth of Pennsylvania, Department of Banking, ("Department") is the Pennsylvania state governmental administrative agency authorized and empowered to administer and enforce the Mortgage Bankers and Brokers & Consumer Equity Protection Act ("MBBCEPA"), 63 P.S. § 456.101 *et. seq.*, and the Secondary Mortgage Loan Act ("SMLA"), 7 P.S. § 6601 *et. seq.*; and

WHEREAS, the Department's Bureau of Compliance, Investigation and Licensing ("Bureau") is the Bureau within the Department with the primary responsibility of administering and enforcing the MBBCEPA and the SMLA; and

**WHEREAS**, it is the Department's belief that Catrina Ponder is the same individual as Catrina M. Hughes ("Catrina Ponder"); and

**WHEREAS**, it is the Department's belief that Catrina Ponder is brokering first and/or secondary mortgage loans in Pennsylvania on behalf of several companies including Bretlin Home Loans, also known as Bretlin Home Mortgage ("Bretlin Home"), and BMS, Inc., also known as Bretlin Mortgage Services ("BMS"); and

**WHEREAS**, it is the Department's belief that Catrina Ponder, Bretlin Home and BMS are operating from the same address: 415 North Mercer Avenue, Sharpsville, PA 16150; and

**WHEREAS**, neither Bretlin Home nor BMS are registered with the Pennsylvania Department of State as fictitious names or in any other capacity; and

**WHEREAS**, the Department received a complaint that Catrina Ponder has solicited and originated a mortgage loan while located in Pennsylvania for a consumer, Mark Valladares, who resides at 3517 Treadwell Lane, Malabar, Florida 32950 ("Consumer"); and

**WHEREAS**, Catrina Ponder mailed the Consumer a solicitation to refinance his mortgage with Bank of America, located at 9000 Southside Blvd., Bldg. 700, Jacksonville, FL 32256, on behalf of Bretlin Home located at 415 North Mercer Avenue, Sharpsville, PA 16150; and

**WHEREAS**, as part of the refinancing, Catrina Ponder represented to the Consumer that she would be able to reduce his prepayment penalty on his current mortgage with America's Servicing Company ("ASC") by \$9,000 through a negotiation company that she worked with entitled BMS; and

**WHEREAS**, for this service, Catrina Ponder required that a fee of \$4,500 be paid to BMS at closing; and

**WHEREAS**, a month prior to closing, on or about July 30, 2007, Catrina Ponder contacted Dynasty Title, LLC, a settlement agent, located at 4650 Lipscomb Street NE Suite #34, Palm Bay, FL 32905, to represent Bank of America at the closing; and

**WHEREAS**, Dynasty requested information from Catrina Ponder including, but not limited to, updated payoff information from ASC and other information necessary for Bank of America to process the application; and

**WHEREAS**, Catrina Ponder provided Dynasty with the requested payoff information; and

**WHEREAS**, a few days before closing, on or about August 27, 2007, Catrina Ponder informed Dynasty that she was closing the loan under another broker, Nations First Financial LLC ("Nations First"), rather than Bretlin Home; and

**WHEREAS**, the closing on the refinancing occurred on August 30, 2007; and

**WHEREAS**, on or about September 6, 2007, Dynasty sent the payoff amount to ASC; and

**WHEREAS**, Dynasty wired the \$4,500 fee into an account for BMS located at Greenville Savings Bank at 233 Main Street, Greenville, PA, 16125, per Catrina Ponder's request; and

**WHEREAS**, the account at Greenville Savings Bank belongs to Catrina Ponder, as a business account for BMS, with an address of 415 North Mercer Avenue, Sharpsville, PA 16150; and

**WHEREAS**, Dynasty wired the broker fees, \$8,700, to Nations First per Catrina Ponder's request; and

**WHEREAS**, upon receipt of the payoff by Dynasty, on or about September 7, 2007, ASC ascertained that the payoff amount was short in an amount exceeding \$10,000; and

**WHEREAS**, ASC immediately informed Dynasty that the payoff figures were inaccurate and that the payoff letter provided to Dynasty by Catrina Ponder was fraudulent; and

**WHEREAS**, Dynasty contacted Catrina Ponder to resolve the problem but Catrina Ponder was not responsive to Dynasty's inquiries; and

**WHEREAS**, BMS did not reduce the Consumer's pre-payment penalty on the loan by \$9,000 as promised by Catrina Ponder; and

**WHEREAS**, the Consumer suffered financial harm as a result of this transaction; and

**WHEREAS**, Bretlin Home Loans and BMS are not licensed to engage in the first mortgage or secondary mortgage loan business in Pennsylvania under the MBBCEPA or the SMLA; and

**WHEREAS**, Catrina Ponder is not licensed to engage in the first and secondary mortgage loan business in Pennsylvania under the MBBCEPA or the SMLA; and

**WHEREAS**, the MBBCEPA applies to "[a]ny person who engages in the first mortgage loan business in this Commonwealth," 63 P.S. § 456.318(2); and

**WHEREAS**, the MBBCEPA provides, in relevant part, that no person shall engage in the first mortgage loan business in this Commonwealth without a license, 63 P.S. § 456.303(a); and

**WHEREAS**, a person is deemed to be engaged in the first mortgage loan business in this Commonwealth if that person "advertises, causes to be advertised, *solicits*, negotiates or arranges in the ordinary course of business, offers to make or makes more than two *first mortgage loans* in a calendar year in this Commonwealth, whether directly or by any person acting for his benefit", 63 P.S. § 456.302 (emphasis added);

**WHEREAS**, by *soliciting a first mortgage loan from Pennsylvania*, Bretlin Home and Catrina Ponder violated the MBBCEPA; and

**WHEREAS**, by *originating the loan from Pennsylvania and accepting compensation upon its closing in Pennsylvania*, Catrina Ponder, Bretlin Home, and BMS violated the MBBCEPA; and

**WHEREAS**, Section 310(a) of the MBBCEPA, 63 P.S. § 456.310(a), grants the Department broad authority to issue orders for the enforcement of the MBBCEPA; and

**WHEREAS**, Section 16(1) of the SMLA, 7 P.S. § 6616(1), provides the Department with broad authority to issue orders as may be necessary for enforcement of the SMLA; and

**AND NOW THEREFORE**, because Catrina Ponder engaged in the first mortgage loan business in Pennsylvania without a license on behalf of Bretlin Home and BMS, unlicensed entities, the Bureau, under the authority cited above, hereby imposes the following order (“Order”). Upon the Effective Date of this Order:

1. Catrina Ponder, Bretlin Home and BMS shall immediately cease and desist from *engaging in the first and/or secondary mortgage loan business in Pennsylvania*, including, but not limited to, *soliciting, advertising or causing to be advertised residential first and/or secondary mortgage loans, negotiating, arranging, originating or closing any applications for such loans, or making or offering to make any such loans from Pennsylvania.*

2. Catrina Ponder and Bretlin Home and BMS shall immediately return any fees to the Consumer, Mark Valladaras, collected as a result of the transaction that is the subject of this Order.

3. Catrina Ponder shall cease and desist from engaging in the first mortgage loan business and/or secondary mortgage loan business in Pennsylvania under any other business name or entity that is not otherwise mentioned in this Order.

4. Catrina Ponder shall cease and desist from engaging in the first mortgage loan business and/or secondary mortgage loan business in Pennsylvania from any office location that is not licensed by the Department.

5. Within ten (10) days of the Effective Date of this Order, Catrina Ponder shall provide to the Department a listing of all residential first and secondary mortgage applications that she has taken while located in Pennsylvania, either directly from the applicant or from any third party, such as another mortgage broker. The listing shall include:

- a. The name and address of the applicant;
- b. The date of the application;
- c. The status of the application, *i.e.*, in process, closed into a loan, denied, withdrawn, etc.;
- d. The company's name under which Catrina Ponder took the application;
- e. For closed loans, the name of the lender; and
- f. The amount of fees collected as a result of the transaction.

6. Within ten (10) days of the Effective Date of this Order, Catrina Ponder shall provide to the Department copies of any advertisements or solicitations that she has used for the purpose of originating first and/or secondary mortgage loan business, while located in Pennsylvania, including, but not limited to, any mail advertisements or solicitations,

telephone advertisements, links to internet web pages, customer lists, and any other such information.

7. This Order shall not preclude the Department from taking additional administrative action against Catrina Ponder, Bretlin Home, BMS or any other name or entity under which she is operating as may be necessary.

**IT IS SO ORDERED.**

Ryan Walsh, Administrator  
Department of Banking,  
Bureau of Compliance, Investigation and Licensing

February 12, 2008  
(Date)