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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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PA DEPT OF BANKING

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU
OF COMPLIANCE, INVESTIGATION AND
LICENSING

Docket No.: 08 0299 (ENF-CO)

v.

MORTGAGE ACCESS CORP. d/b/a
WEICHERT FINANCIAL SERVICES

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (the "Department"), Bureau of Examinations, conducted an examination of Mortgage Access Corp. d/b/a Weichert Financial Services ("Weichert Financial"), and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance, Investigation and Licensing (the "Bureau") believes that Weichert Financial operated in violation of the Mortgage Bankers and Brokers & Consumer Equity Protection Act (the "MBBCEPA"), 63 P.S. § 456.101 et seq., and the Secondary Mortgage Loan Act (the "SMLA"), 7 P.S. § 6601 et seq. The parties to the above captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (the "Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the MBBCEPA and the SMLA.

2. The Bureau is primarily responsible for administering and enforcing the MBBCEPA and the SMLA for the Department.

3. Weichert Financial is licensed as a First Mortgage Banker, license no. 11089, and a Secondary Mortgage Lender, license no. 11090, with its principal place of business in Pennsylvania located at 535 Pennsylvania Ave, Fort Washington, PA 19034-3305 (the "Principal Place") and licensed branch locations in Morris Plains, NJ; Shrewsbury, NJ, Norwell, MA; Yardley, PA; West Chester, PA; Wayne, PA; Spring House, PA; Paoli, PA; Newtown, PA; Media, PA; Kennett Square, PA; Jenkintown, PA; Exton, PA; Easton, PA; Doylestown, PA; Devon, PA; Collegeville, PA; Chadds Ford, PA; Blue Bell, PA; Bethlehem, PA and Allentown, PA.

4. On December 31, 2007, an examiner from the Department initiated an examination of Weichert Financial at its Principal Place (the "Examination").

Recordkeeping

5. The Examination revealed that Weichert Financial was maintaining its Pennsylvania first and secondary mortgage loans at a storage facility in New Jersey.

6. Section 308(a)(2) of the MBBCEPA requires a licensee to maintain records at its principal place of business in Pennsylvania unless the licensee has authorization from the Department to maintain those records elsewhere. 63 P.S. § 456.308(a)(2).

7. Section 10(a)(2) of the SMLA requires a licensee to maintain records at its principal place of business in Pennsylvania unless the licensee has authorization from the Department to maintain those records elsewhere. 7 P.S. § 6610(a)(2).

8. On July 15, 1999, Weichert Financial was approved for alternate site recordkeeping to have its Pennsylvania first and secondary mortgage loan files be maintained at

its corporate headquarters located at 225 Littleton Road, Morris Plains, NJ 07950 (the "Alt Site Agreements").

9. By maintaining records at a location other than the location indicated on the Alt Site Agreements, Weichert Financial is in violation of the Alt Site Agreements.

10. During the examination, Weichert Financial could not produce all copies of mortgage files which were requested by the Department for the start of the examination as required in the Alt Site Agreements.

11. Paragraph 4 of the Alt Site Agreements provides that Weichert Financial agrees to produce any and all required records at its principal place of business in Pennsylvania for the purpose of an examination.

12. Paragraph 6 of the Alt Site Agreements provides that Weichert Financial agrees to produce the required records for an examination within three (3) business days of the request of the Department.

13. Section 308(a)(4) of the MBBCEPA provides in relevant part that a licensee shall "[b]e subject to examination by the department or commission at which time the department or commission shall have free access, during regular business hours, to the licensee's place or places of business in this Commonwealth *and to all instruments, documents, accounts, books and records which pertain to a licensee's mortgage loan business, whether maintained in or outside of this Commonwealth. . .*" 63 P.S. § 456.308(a)(4) (emphasis added).

14. Section 10(a)(4) of the SMLA provides, in relevant part, that a licensee shall "[b]e subject to an examination by the secretary at least once every two calendar years, at which time the secretary shall have free access, during regular business hours, to the licensee's place or places of business in this Commonwealth *and to all instruments, documents, accounts, books and*

records which pertain to the licensee's secondary mortgage loan business. . ." 7 P.S. § 6610(a)(4) (emphasis added).

15. By not providing the Department free access to all of the first and secondary mortgage loan files requested during the examination Weichert Financial is in violation of the MBBCEPA and the SMLA.

16. By not providing the Department free access to all of the first and secondary mortgage loan files requested during the examination Weichert Financial is in violation of the Alt Site Agreements.

Authority of the Department

17. Section 310(a) of the MBBCEPA grants the Department broad authority to issue orders for the enforcement of the MBBCEPA. 63 P.S. § 456.310(a).

18. Section 314(c) of the MBBCEPA provides, in relevant part, that "[a]ny person licensed under the provisions of this chapter or any director, officer, employee or agent of a licensee who shall violate the provisions of this chapter or shall direct or consent to such violations shall be subject to a fine levied by the department of up to \$2,000 for each offense." 63 P.S. § 456.314(c).

19. Section 16(1) of the SMLA grants the Department with broad authority to issue orders as may be necessary for enforcement of the SMLA. 7 P.S. § 6616(1).

20. Section 22(b) of the SMLA provides, in relevant part, that "a corporation licensed under the provisions of this act or any director, officer, employee or agent who shall violate any provision of this act or shall direct or consent to such violations, shall be subject to a fine of \$2,000 for the first offense, and for each subsequent offense a like fine and/or suspension of license." 7 P.S. § 6622(b).

VIOLATIONS

21. 15. Weichert Financial is in violation of Section 308(a)(4) of the MBBCEPA and Section 10(a)(4) of the SMLA by failing to provide the Department with free access to records during an examination.

22. Weichert Financial is in violation of the Alt Site Agreements by not producing records within three (3) days of a request by the Department and by not maintaining its records at the address indicated on the Alt Site Agreements.

RELIEF

23. Fine. Within thirty (30) days of the Effective Date of this Order, Weichert Financial pay to the Department a fine in the amount of \$4,000. The fine payment shall be remitted by a certified check or money order made payable to the Department of Banking and sent to the attention of; Compliance Division, Department of Banking, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101.

24. Corrective Measures.

a. Weichert Financial shall produce all requested Pennsylvania first and secondary mortgage loan records during any future examinations or investigations.

b. Weichert Financial shall maintain its Pennsylvania first and secondary mortgage loan records either at its principal place of business in Pennsylvania or at the address as indicated on its alternate site recordkeeping agreements. Should Weichert Financial change the location of its Pennsylvania first and secondary mortgage loan records, Weichert Financial shall notify the Department so that a new alternate site recordkeeping agreement may be executed.

FURTHER PROVISIONS

25. Consent. Weichert Financial hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MBBCEPA and the SMLA and agrees that it understands all of the terms and conditions contained herein. Weichert Financial, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

26. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking Code. 71 P.S. § 733.302.A.(5).

27. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Bureau and Weichert Financial.

28. Binding Nature. The Department, Weichert Financial, and all officers, owners, directors, employees, heirs and assigns of Weichert Financial intend to be and are legally bound by the terms of this Order.

29. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

30. Effectiveness. Weichert Financial hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

31. Other Enforcement Action.

a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against Weichert Financial in the future regarding all matters not resolved by this Order.

b. Weichert Financial acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

32. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

33. Counterparts. This Order may be executed in separate counterparts and by facsimile.

34. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Department and Weichert Financial intending to be legally bound do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU OF
COMPLIANCE, INVESTIGATIONS AND LICENSING**

Ryan M. Walsh, Administrator
Bureau of Compliance, Investigations and Licensing
Department of Banking

Date: November 4, 2008

FOR MORTGAGE ACCESS CORP. d/b/a WEICHERT FINANCIAL SERVICES

(Officer Signature)

(Print Officer Name)

Vice President, Compliance
(Title)

Date: 10/30/08