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COMMONWEALTH OF PENNSYLVANIA 2008 APR -3 AM 9:02
DEPARTMENT OF BANKING

PA DEPT OF BANKING

COMMONWEALTH OF PENNSYLVANIA	:	Docket No. 08 <u>0059</u> (CO)
DEPARTMENT OF BANKING, BUREAU OF	:	
COMPLIANCE, INVESTIGATION	:	
AND LICENSING	:	
	:	
	:	
v.	:	
	:	
PROGRESSIVE MORTGAGE GROUP, INC.	:	
	:	
	:	

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (the "Department"), Bureau of Examinations, has conducted an examination of Progressive Mortgage Group, Inc. ("Progressive Mortgage"), and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance, Investigation and Licensing (the "Bureau") believes that Progressive Mortgage operated in violation of 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 Mortgage Bankers and Brokers &

Consumer Equity Protection Act (the "MBBCEPA"), 63 P.S. § 456.101 et seq., and the SMLA.

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

3. Progressive Mortgage is licensed as a First Mortgage Broker, license no. 5120, under the MBBCEPA, with its principal place of business in Pennsylvania located at Route 940, PO Box 964, Pocono Summit, PA 18346 (the "Principal Place").

4. On January 11, 2007, an examination of Progressive Mortgage's Pennsylvania ~~was conducted at the Principal Place.~~

5. The examination revealed that Progressive Mortgage originated seven (7) Pennsylvania second mortgage loans without being licensed in this Commonwealth to do so.

6. A representative of Progressive Mortgage stated that the unlicensed activity was unintentional.

7. Section 3(a)(1) of the SMLA provides that "[n]o person shall engage in the business of making secondary mortgage loans in this Commonwealth except a business corporation organized under the laws of this Commonwealth or any other state, after first obtaining a license from the secretary in accordance with the provisions of this act." 7 P.S. § 6603(a)(1).

~~8. Section 16(1) of the SMLA provides the Department with the authority to issue orders as may be necessary for the enforcement of that act. 7 P.S. § 6616(1).~~

9. No fines or penalties are being assessed against Progressive Mortgage for the above stated violation.

VIOLATION

10. Progressive Mortgage is in violation Section 3(a)(1) of the SMLA for engaging in

unlicensed activity.

RELIEF

11. Corrective Action. Progressive Mortgage shall cease and desist originating secondary mortgage loans until licensed under the laws of this Commonwealth to conduct secondary mortgage activity.

FURTHER PROVISIONS

12. Consent. Progressive Mortgage hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the SMLA and agrees that it understands all of the terms and conditions contained herein. Progressive Mortgage, 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.

13. Publication and Release. Progressive Mortgage consents to the publication and release of this Order.

14. 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 Progressive Mortgage.

15. Binding Nature. The Bureau, Progressive Mortgage, and all officers, owners, directors employees, heirs and assigns of Progressive Mortgage intend to be and are legally bound by the terms of this Order.

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

17. Effectiveness. Progressive Mortgage hereby stipulates and agrees that the Order

shall become effective on the date that the Department executes the Order.

18. 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 Progressive Mortgage in the future regarding all matters not resolved by this Order.

b. Progressive Mortgage 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.

19. Counterparts. This Order may be executed in separate counterparts .

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

21. 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 Progressive Mortgage intending to be legally bound, do hereby execute this Agreement and Order.

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

John ~~T. Alai~~, Administrator

Department of Banking

Bureau of Compliance, Investigation and Licensing

Date: 4-2-2008

FOR PROGRESSIVE MORTGAGE GROUP, INC.

(Printed Officer Name)

President

(Title)

Date: 3/20/08