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COMMONWEALTH OF PENNSYLVANIA PA DEPT OF BANKING
DEPARTMENT OF BANKING

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

DOCKET No. 09 0053 (ENF-CO)

v.

ROBERT P. VALENTIN, individually, and
NATIONWIDE FORECLOSURE
PREVENTION CENTER, LLC.

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (the "Department"), Bureau of Compliance, Investigation and Licensing (the "Bureau") has reviewed the business practices of Robert P. Valentin and Nationwide Foreclosure Prevention Center, LLC ("NFPC") and its officers, employees and directors. Based on the results of its review, the Bureau believes that NFPC and Robert P. Valentin are in violation of 7 Pa. C.S. § 6101 et seq. (the "Mortgage Act"). 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 of Banking (the "Department") is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce 7 Pa. C.S. § 6101 et seq. (the "Mortgage Act")

2. The Bureau is primarily responsible for administering and enforcing the Mortgage Act for the Department.

3. The Mortgage Act is the successor statute to Chapter 3 of the Mortgage Bankers and Brokers and Consumer Equity Protection Act (the "MBBCEPA"), 63 P.S. § 456.301 *et seq.*, and the Secondary Mortgage Loan Act (the "SMLA"), 7 P.S. § 6601 *et seq.* On November 5, 2008, Chapter 3 of the MBBCEPA and the SMLA were repealed by operation of law and replaced by the Mortgage Act.

4. NFPC is a business located at 1998 Steeplechase Drive, Williamstown, NJ 08094 that is engaged in the business of negotiating modifications of the existing mortgage loans of consumers.

5. Robert P. Valentin is the 100% owner of NFPC.

6. On February 5, 2009, an investigation was conducted to review the books and records of NFPC (the "Investigation").

Unlicensed Activity

7. The Investigation revealed that NFPC was modifying mortgage loans for Pennsylvania consumers.

8. Specifically, a review of NFPC's "Mitigation of Terms Customer Agreement" (the "Agreement") contained the terms "deed of trust" and "refinance" when defining the act of making and/or negotiating mortgage loan modifications.

9. The Mortgage Act applies to any mortgage loan that is "(i) negotiated, offered or otherwise transacted within this Commonwealth, in whole or in part, whether by the ultimate lender or any other person; (ii) made or executed within this Commonwealth; or (iii) notwithstanding the place of execution, secured by real property located in this Commonwealth" or

to "[a]ny person who engages in the mortgage loan business in this Commonwealth." 7 Pa. C.S. § 6151.

10. Section 6102 of the Mortgage Act defines a "first mortgage loan" as "[a] loan which is secured in whole or in part by a first lien upon any interest in real property created by a security agreement, including a mortgage, indenture, deed of trust or any other similar instrument or document, which real property is used as a one-family to four-family dwelling, a portion of which may be used for nonresidential purposes." 7 Pa. C.S. § 6102.

11. Section 6102 of the Mortgage Act defines a "secondary mortgage loan" as "[a] loan which is secured in whole or in part by a lien upon any interest in real property created by a security agreement, including a mortgage, indenture, deed of trust or any other similar instrument or document, which real property is subject to a prior lien and which is used as a one-family to four-family dwelling, a portion of which may be used for nonresidential purposes." 7 Pa. C.S. § 6102.

12. Section 6102 of the Mortgage Act defines a "mortgage loan" as "[a] first or secondary mortgage loan, or both, as the context may require." 7 Pa. C.S. § 6102.

13. Section 6102 of the Mortgage Act defines "mortgage loan business" as "[t]he business of advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans." 7 Pa. C.S. § 6102 (emphasis added).

14. By advertising to refinance mortgage loans or to use a deed of trust as part of the loan modification process with Pennsylvania consumers, NFPC has engaged in the "mortgage loan business" as defined in the Mortgage Act.

15. NFPC is not licensed to conduct mortgage loan business in Pennsylvania.

16. Section 6111 of the Mortgage Act provides that "... no person shall engage in the mortgage loan business in this Commonwealth without being licensed as a mortgage broker, mortgage lender, mortgage loan correspondent or mortgage originator as provided under this chapter." 7 Pa. C.S. § 6111.

17. NFPC has violated the Mortgage Act by engaging in the mortgage loan business in Pennsylvania without a license.

2008 Cease and Desist Order

18. Robert P. Valentin was issued an order by the Department on June 13, 2008, Docket No. 080096, in conjunction with Justice Mortgage; to cease and desist from engaging in, and advertising in, the mortgage loan business in Pennsylvania in any capacity until such time that Robert P. Valentin obtained a license from the Department.

19. By engaging in the mortgage loan business in Pennsylvania through NFPC, Robert P. Valentin is in violation of the June 13, 2008 Cease and Desist Order.

Authority of the Department

20. Section 6138(a)(4) of the Mortgage Act provides the Department with authority to issue orders as may be necessary for the proper conduct of the mortgage loan business and the enforcement of the Mortgage Act. 7 Pa. C.S. § 6138(a)(4).

21. Section 6138(a)(5) of the Mortgage Act provides the Department with the authority to "[p]rohibit or permanently remove a person or licensee responsible for a violation of this chapter from working in the present capacity or in any other capacity of the person or licensee related to activities regulated by the department." 7 Pa. C.S. § 6138(a)(5).

22. Section 6138(a)(6) of the Mortgage Act provides the Department with the authority to "[o]rder a person or licensee to make restitution for actual damages to consumers caused by any violation of this chapter." 7 Pa. C.S. § 6138(a)(6).

23. Section 6140(a) of the Mortgage Act provides, in relevant part that "[a] person subject to the provisions of this chapter and not licensed by the department who violates any provision of this chapter or who commits any action which would subject a license to suspension, revocation or nonrenewal under section 6139 (relating to suspension, revocation or refusal) may be fined by the department up to \$10,000 for each offense." 7 Pa. C.S. § 6140(a).

RELIEF

24. Corrective Action. Upon the Effective Date of this Order, NFPC and Robert P. Valentin shall cease and desist from engaging in the mortgage loan business subject to the Mortgage Act in any way, including, but not limited to, advertising refinancing, using deeds of trust in contracts with Pennsylvania consumers, unless and until such time NFPC and/or Robert P. Valentin are licensed by the Department pursuant to the Mortgage Act.

25. Fine. Within ninety (90) days of the Effective Date of this Order, NFPC shall pay the Department a fine in the amount of \$2,000 for engaging in the mortgage loan business subject to the Mortgage Act without a license. The fine payment shall be remitted by a certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of Compliance Division, Bureau of Compliance, Investigation and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

26. Prohibition. Upon the Effective Date of this Order, Robert P. Valentin, as a natural person or as a corporation or as any other form of organization of any kind whatsoever, shall be prohibited from negotiating, arranging, advertising, soliciting, originating, or placing

mortgage loans directly or indirectly into the primary market for consideration as regulated by the Mortgage Act for a period of five (5) years.

27. Restitution.

(a) Within ninety (90) days of the Effective Date of this Order, Robert P. Valentin shall refund all fees collected to Pennsylvania consumers (\$1,795.00) and (\$1,295.00) (the "Consumer Refunds").

(b) Within one hundred twenty (120) days of the Effective Date of this Order, Robert P. Valentin shall provide the Department with a status report relating to the Consumer Refunds which shall include: (i) the manner in which Robert P. Valentin is making or has made the refunds; (ii) the date on which the refund was sent to the consumer; (iii) evidence that the refund was paid to the consumer, *i.e.* copy of a cleared check; and (iv) a list of any consumer refunds that were returned or are not able to be delivered.

(c) If after one hundred and eighty (180) days from the Effective Date Robert P. Valentin is unable to locate or deliver to consumers the required Consumer Refunds after having made diligent and reasonable efforts to do so, Robert P. Valentin will hold and dispose of the funds in accordance with Pennsylvania's Disposition of Abandoned and Unclaimed Property Law, 72 P.S. § 1301.1 *et seq.*

28. Abevanee. Should the Bureau find that NFPC and/or, Robert P. Valentin have violated this Order in whole or in part, the Department may prohibit Robert P. Valentin from engaging in the mortgage loan business as defined by the Mortgage Act for the remainder of his natural life.

FURTHER PROVISIONS

29. Consent. NFPC and Robert P. Valentin hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Bureau's order authority under the Mortgage Act and agree that they understand all of the terms and conditions contained herein. NFPC and Robert P. Valentin, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

30. 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).

31. 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, NFPC and Robert P. Valentin.

32. Binding Nature. The Department, NFPC and Robert P. Valentin, and all officers, owners, directors, employees, heirs and assigns of NFPC and Robert P. Valentin intend to be and are legally bound by the terms of this Order.

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

34. Effectiveness. NFPC and Robert P. Valentin hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

35. 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 NFPC and Robert P. Valentin in the future regarding all matters not resolved by this Order.

b. NFPC and Robert P. Valentin acknowledge and agree 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.

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

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

38. 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, NFPC and Robert P. Valentin, intending to be legally bound, do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING
BUREAU OF SUPERVISION
AND ENFORCEMENT

John Talalai, Administrator
Department of Banking,
Bureau of Compliance, Investigation and Licensing

Date: 4/13/2009

FOR NATIONWIDE FORECLOSURE
PREVENTION CENTER

FOR ROBERT P. VALENTIN

(Officer Signature)

(Signature)

Robert P. Valentin
(Print Officer Name)

Robert P. Valentin
(Print Name)

Owner
(Title)

Date: 4-10-09

4-10-09
Date: _____