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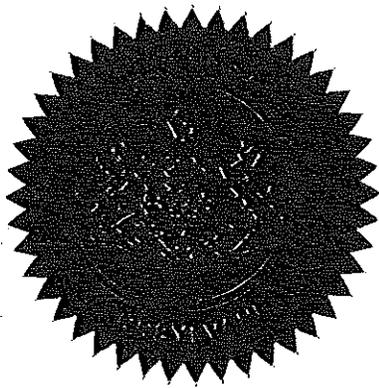
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA	:	PA DEPARTMENT OF
DEPARTMENT OF BANKING AND	:	BANKING AND SECURITIES
SECURITIES, BUREAU OF COMPLIANCE	:	
AND LICENSING	:	
	:	
v.	:	Docket No. 140029 (BNK-ORD)
	:	
MAIN LINE NATIONAL MORTGAGE, INC.	:	
and	:	
LINDA BALL PATTON, Individually	:	

ORDER

AND NOW, this 12th day of August 2015, upon review of the Hearing Officer's Proposed Final Report submitted to the Banking and Securities Commission, it is hereby **ORDERED** that 1) the facts and law set forth in the Department of Banking and Securities July 7, 2014 Order, attached as Appendix A, shall be considered the facts and law of the case; 2) Main Line National Mortgage, Inc.'s mortgage broker license shall remain terminated until such time, if at all, as a new application for a license is filed and approved; 3) Linda Ball Patton's mortgage originator license shall remain terminated until such time, if at all, as a new application for a license is filed and approved; 4) Main Line National Mortgage, Inc., as a corporation, shall be prohibited from engaging in the mortgage loan business in the Commonwealth while unlicensed, as defined in Section 6102 of the Mortgage Licensing Act, 7 Pa.C.S. § 6102; and 5) Linda Ball Patton, as an individual or a corporation, shall be prohibited from engaging in the mortgage loan business in the Commonwealth while unlicensed, as defined in Section 6102 of the Mortgage Licensing Act, 7 Pa.C.S. § 6102.



BY ORDER:

Redacted

James A. Biery, Chair
Executed on behalf of the
BANKING AND SECURITIES COMMISSION

Appendix A

and, if a hearing is scheduled, the date, time and location of the hearing. You have the right to be represented by an attorney.

All procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§31.1.-35.251.

2. The Department is primarily located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

3. Main Line National Mortgage, Inc. previously operated principally at 126 West Lancaster Ave, Wayne, Pennsylvania 19087.

4. Main Line National Mortgage, Inc. continues to operate at Redacted, Malvern, Pennsylvania 19355.

5. The Department licenses Main Line National Mortgage, Inc. as a mortgage broker, License No. 21876, Nationwide Mortgage Licensing System and Registry ("NMLS") Unique Identification No. 4353.

6. Daniel Patton and Linda Ball Patton, husband and wife, own Main Line National Mortgage, Inc.

7. Daniel Patton is identified in NMLS as Main Line National Mortgage's Manager and primary contact person.

8. Linda Ball Patton is identified in NMLS as Main Line National Mortgage's President.

9. Linda Ball Patton is individually licensed as a mortgage loan originator, License No. 27583, NMLS Unique Identification No. 15102.

10. Daniel Patton and Linda Ball Patton reside at Redacted, Malvern, Pennsylvania 19355, the current operating address for Main Line National Mortgage.

Count I - Hindering Examination (Main Line National Mortgage)

11. The Bureau of Compliance and Licensing ("Bureau") administers and enforces the Mortgage Licensing Act for the Department. 7 Pa. C.S. § 6101.

12. In December 2013, a Bureau of Examinations examiner ("Examiner") telephoned Main Line National Mortgage to schedule an examination in January 2014.

13. Main Line National Mortgage refused to permit the Examiner to schedule an examination.

14. As a result of the December phone call from the Examiner, Main Line National Mortgage's attorney contacted another Department employee on December 30, 2014.

15. During the phone call, Main Line National Mortgage's attorney stated that Main Line National Mortgage refused to schedule an examination because: 1) Main Line National Mortgage recently relocated to the Pattons' personal residence; 2) the relocation caused the records to be in no condition to be examined; and 3) even if the records could be put in order, the Pattons did not want the examination conducted at their personal residence.

16. The Bureau agreed to postpone the examination from January 2014 to April 2014.

17. The Bureau agreed to the postponement in order to allow the Pattons time to find a new non-residential location and to organize the records for examination.

18. In April 2014, a representative of the Department again contacted Main Line National Mortgage's attorney to confirm that the Bureau could perform an examination.

19. Main Line National Mortgage's attorney indicated that Main Line National Mortgage no longer communicated with him.

20. In addition, Main Line National Mortgage's attorney informed the Bureau that he had filed a motion in court to officially withdraw from representation of Main Line National Mortgage.

21. Section 6135(a)(2) of the Mortgage Licensing Act requires, in pertinent part, a licensee's records to be "kept available for investigation or examination by the department" and

“[[t]he department shall have free access to and authorization to examine records maintained by the licensee.”

22. Section 6135(a)(4) of the Mortgage Licensing Act states that “each licensee shall be subject to examination by the department at its discretion, at which time the department shall have free access, during regular business hours, to the licensee’s place or places of business and to all instruments, documents, accounts, books and records which pertain to a licensee’s first or secondary mortgage loan business. The department may examine a licensee at any time if the department deems the examination to be necessary or desirable.”

23. Section 6138(a)(1) of the Mortgage Licensing Act permits the Department to examine “any instrument, document, account, book, record or file of a licensee...”.

24. By not keeping its records available for examination and not providing the Bureau with free access to examine the records, Main Line National Mortgage is in violation of the Mortgage Licensing Act.

Count II – Inaccurate Contact Information (Main Line National Mortgage & Linda Ball Patton)

25. Based on the representations of Main Line National Mortgage’s attorney, the Bureau attempted to communicate directly with Daniel Patton, as the primary contact.

26. The Bureau attempted to contact Daniel Patton through certified letter on April 10, 2014 at the address listed in NMLS.

27. The certified letter requested that Main Line National Mortgage contact the Bureau to schedule an examination.

28. The Bureau received confirmation that the certified letter was delivered.

29. Neither Daniel Patton, nor any other representative of Main Line National Mortgage, ever contacted the Bureau in response to the letter.

30. The Bureau attempted to contact Daniel Patton by telephone on May 22, 2014 at the number listed on NMLS.

31. Neither Daniel Patton, nor any other representative of Main Line National Mortgage, answered the phone call.

32. When no one answered the call, the Bureau left a voicemail requesting that Main Line National Mortgage contact the Bureau to schedule an examination.

33. Neither Daniel Patton, nor any other representative of Main Line National Mortgage, returned the Bureau's phone call.

34. Also on May 22, 2014, the Bureau attempted to contact Daniel Patton through e-mail at the e-mail address listed on NMLS.

35. Daniel Patton failed to respond to any of the Bureau's communication attempts.

36. As of the date of this Order, the Bureau has been unable to examine Main Line National Mortgage's records.

37. Section 6131(b) of the Mortgage Licensing Act, requires a licensee to update any information contained in an application within 10 days of the licensee becoming aware of the change. 7 Pa. C.S. § 6131(b)

38. Because neither Main Line National Mortgage nor Linda Ball Patton responded to the Bureau at the contact information supplied, the Bureau finds the contact information to be invalid.

39. Both Main Line National Mortgage, Inc., and Linda Ball Patton are in violation of Section 6131(b) of the Mortgage Licensing Act by failing to notify the Department of any updates in contact information for Main Line National Mortgage, Inc. and Linda Ball Patton.

Department's Authority

40. Section 6138(a)(4) of the Mortgage Licensing 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 Licensing Act. *See* 7 Pa. C.S. § 6138(a)(4).

41. Section 6138(a)(5) of the Mortgage Licensing Act provides the Department with 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 by the department.” *See* 7 Pa. C.S. § 6138(a)(5).

42. The Department may suspend, revoke or refuse to renew a license if the licensee “[f]ailed to comply with the requirements of this chapter to make and keep records prescribed by regulation, statements of policy or order of the department, to produce records required by the department or to file financial reports or other information that the department by regulation, statement of policy or order may require. 7 Pa.C.S. § 6139(a)(8).

43. Section 6139, of the Mortgage Licensing Act permits the Department to suspend, revoke or refuse to renew a license if the licensee “[f]ailed to comply with or violated any provision of this chapter or any regulation or order promulgated or issued by the department under this chapter.” 7 Pa.C.S. § 6139(a)(2).

44. Section 6140(a) of the Mortgage Licensing 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.” *See* 7 Pa. C.S. § 6140(a).

AND NOW THEREFORE, based upon the above allegations, the Bureau, under the authority cited above, hereby issues the following order.

- a. Main Line National Mortgage's mortgage broker license is hereby suspended.
- b. The Bureau will consider lifting the suspension if:
 - i. Main Line National Mortgage makes its records available to the Bureau in a format suitable for examination and permits the Bureau to conduct an examination.
 - ii. Main Line National Mortgage updates its contact information in NMLS if the information currently listed is inaccurate.
- c. The Bureau will not renew Main Line National Mortgage's mortgage broker license unless Main Line National Mortgage complies with the required conditions.
- d. Linda Ball Patton's mortgage originator license is hereby suspended until such time as she communicates her new contact information to the Bureau.

IT IS SO ORDERED.

Redacted

James Keiser, Administrator
Department of Banking and Securities,
Bureau of Compliance and Licensing

Dated: July 7, 2014

