

principal place of business in Pennsylvania located at 1445 City Ave., Wynnewood, PA 19096-3831 (the "Principal Place").

4. On April 4, 2007, an examiner from the Department initiated an examination of A B Financial at the Principal Place (the "Examination").

5. During the Examination, the examiner noted that A B Financial had paid some of its mortgage loan originators (the "Loan Originators") on a 1099 basis and not as W-2 employees.

6. The Loan Originators brokered thirty-four (34) first mortgage loans on behalf of A B Financial

7. Because A B Financial paid the Loan Originators on a 1099 basis, the Loan Originators were required to be individually licensed under the MBBCEPA as mortgage brokers.

8. The Loan Originators did not have their own mortgage broker licenses under the MBBCEPA.

9. Section 303(a) of the MBBCEPA provides, in relevant part that "no person shall act as a mortgage banker, loan correspondent, mortgage broker or limited mortgage broker in this Commonwealth without a license. . . ." 63 P.S. § 456.303(a).

10. Since the Loan Originators did not have their own mortgage licenses under the MBBCEPA, the Loan Originators were engaged in unlicensed activity.

11. Section 314(c) of the MBBCEPA permits the Department to issue a fine to any licensee who violates the MBBCEPA or consents to a violation of the MBBCEPA. 63 P.S. § 456.314(c).

Fine Authority

12. 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).

13. By processing first mortgage loans from unlicensed brokers, A B Financial is consenting to violations of the MBBCEPA.

VIOLATION

14. A B Financial is in violation of Section 303(a) of the MBBCEPA, by accepting first mortgage loans from individuals that were not licensed to conduct Pennsylvania first mortgage business.

RELIEF

15. Fine. Within thirty (30) days of the Effective Date of this Order, A B Financial shall pay to the Department a fine in the amount of \$2,000. The fine payment shall be remitted by certified check or money order made payable to the Department of Banking, and will be sent to the Attention of the Non-Depository Institutions, Bureau of Compliance, Investigation and Licensing, 17 N. Second Street, 13th Floor, Harrisburg, PA 17101.

16. Corrective Action. A B Financial shall cease and desist from accepting applications from unlicensed persons and A B Financial shall compensate all employees on a W-2 basis.

FURTHER PROVISIONS

17. Consent. A B 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 agrees that it understands all of the terms and conditions contained herein. A B 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.

18. Publication and Release. A B Financial consents to the publication and release of this Order.

19. 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 A B Financial.*

20. Binding Nature. The Bureau, A B Financial, and all officers, owners, directors, employees, heirs and assigns of A B Financial intend to be and are legally bound by the terms of this Order.

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

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

23. 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 A B Financial in the future regarding all matters not resolved by this Order.

b. A B 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.

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

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

26. 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 Bureau and A B 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,
INVESTIGATION AND LICENCING**

~~John J. Lalai~~, Administrator
Bureau of Compliance,
Investigation and Licensing
Department of Banking

Date: 3-26-2008

FOR A B FINANCIAL SOLUTIONS

(Print Officer Name) /

Owner
Title

Date: 3/18/08