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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. 080270 (ENF-FIN)

v.

UNIVERSAL FUNDING PARTNERS, INC.

ORDER

WHEREAS, the Commonwealth of Pennsylvania, Department of Banking, (the "Department") is the Pennsylvania state governmental 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 Secondary Mortgage Loan Act (the "SMLA"), 7 P.S. § 6601 *et. seq.*;

WHEREAS, the Department's Bureau of Compliance, Investigation and Licensing (the "Bureau") is the Bureau within the Department with the primary responsibility of administering and enforcing the MBBCEPA and the SMLA;

WHEREAS, Universal Funding Partners, Inc. ("Universal Funding Partners") is currently licensed by the Department as a First Mortgage Broker under the MBBCEPA, License No. 14527, and as a Secondary Mortgage Broker under the SMLA, License No. 16428;

WHEREAS, Universal Funding Partners maintains its principal place of business at 102 North Blakely Street, Ste. 204, Dunmore, PA 18512-1961;

Violation of Consent Agreement and Order

WHEREAS, on June 26, 2008, Universal Funding Partners entered into a Consent Agreement and Order with the Department, Docket No. 080115 (CO) ("Order") (*see* a copy of the Order attached as Appendix A. ("App. A").

WHEREAS, Universal Funding Partners, in the Order, admitted that by processing and closing first and secondary mortgage loans originated by an unlicensed broker and by compensating the unlicensed broker as an independent contractor it violated the MBBCEPA and the SMLA (*see* App. A, ¶¶ 5-16);

WHEREAS, to resolve the matter, Universal Funding Partners agreed, in relevant part, to pay a fine in the amount of eight thousand dollars (\$8,000) payable in four (4) payments of two thousand dollars (\$2,000) with the first payment being due and payable within thirty days (30) of the Effective Date of the Order (*see* App. A, ¶ 23);

WHEREAS, Universal Funding Partners consented to "the entry of th[e] Order pursuant to the Bureau's order authority under the MBBCEPA and SMLA" and agreed that it understood that terms and conditions of the Order (*see* App. A, ¶ 25);

WHEREAS, the Department reserved "all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against Universal Funding Partners in the future regarding all matters not resolved by this Order" (*see* App. A, ¶31a);

WHEREAS, the Order was binding on Universal Funding Partners and "all officers, owners, and directors," (*see* App. A, ¶28);

WHEREAS, the Order was effective on June 26, 2008 (*see* App. A);

WHEREAS, the \$2,000 fine payments were due to the Department according to the following schedule: July 27, 2008; August 1, 2008; September 1, 2008; and October 1, 2008;

WHEREAS, as of the date of the Order, the Department has not received any of the fine installments;

WHEREAS, the Department sent Universal Funding Partners a letter, dated August 14, 2008, requesting payment of the installments due within thirty (30) days, or no later than September 13, 2008 (see a copy of the correspondence dated August 14, 2008 attached as Appendix B (“App. B”));

WHEREAS, the Department stated in its letter to Universal Funding Partners that “[f]ailure to submit the past due amount could subject Universal Funding Partners to additional administrative action, including revocation, under MBBCEPA and the SMLA” (see App. B);

WHEREAS, by not remitting payment of the fine installments within the required timeframe, Universal Funding Partners has violated the Order;

Relief

WHEREAS, because Universal Funding Partners failed to comply with an Order of the Department, the Department has the authority to suspend its license until Universal Funding Partners becomes compliant with the Order;

WHEREAS, Section 313(a)(2) of the MBBCEPA provides, in relevant part, that “*the department may suspend, revoke or refuse to renew any license issued pursuant to this chapter*” if the licensee has “*[f]ailed to comply with or violated any provision of this*

chapter or any rule, regulation or *order* promulgated by the department pursuant to this chapter,” *see* 63 P.S. § 456.313(a)(2) (emphasis added);

WHEREAS, Section 19(a)(2) of the SMLA provides, in relevant part, that “The *secretary may suspend, revoke or refuse to renew any license issued pursuant to this act*” if the licensee has “[f]ailed to comply with or violated any provision of this act or any rule, regulation or *order*, and promulgated by the secretary pursuant thereto,” *see* 7 P.S. § 6619(a)(2) (emphasis added);

WHEREAS, Section 310(a) of the MBBCEPA provides, in relevant part, that:

the department shall have the authority to issue rules and regulations and orders as may be necessary for the proper conduct of the business of a mortgage banker, loan correspondent, a mortgage broker or limited mortgage broker and for the enforcement of this chapter, including, but not limited to, cease and desist orders, notices of fines and such other orders as the department in its discretion may issue.

See 63 P.S. § 456.310(a) (emphasis added);

WHEREAS, Section 16(a) of the SMLA similarly provides that,

[t]he secretary shall have the authority to: (1) Issue rules and regulations. . . and such general rules and regulations *and orders as may be necessary* for insuring the proper conduct of the business and *for the enforcement of this act.*

See 7 P.S. § 6616(a) (emphasis added);

AND NOW, THEREFORE, because Universal Funding Partners has failed to comply with the provisions of the Consent Agreement and Order dated June 26, 2008, the Department hereby imposes the following Order in accordance with its authority pursuant to Section 310(a) of the MBBCEPA and Section 16(a) of the SMLA:

1. Universal Funding Partners’s First Mortgage Broker License, License No. 14527, and Secondary Mortgage Broker License, License No. 16428, **are**

hereby suspended thirty (30) days from the effective date of this Order, which means that Universal Funding Partners, and its owners, officers and/or directors, shall not conduct any first or secondary mortgage loan business in the Commonwealth including, but not limited to, advertising, soliciting, negotiating, arranging or making loans or any other conduct whatsoever that constitutes engaging in the first or secondary mortgage loan business; and

2. Universal Funding Partner's licenses shall remain suspended until such time that the fine of \$8,000, is remitted to the Department and all terms of the Consent Agreement and Order dated June 26, 2008 are satisfied; and

3. Nothing in this Order suspending Universal Funding Partner's license shall prevent the Department from taking any further administrative action as deemed necessary.

IT IS SO ORDERED.

Date: October 2, 2008

Ryan Walsh, Administrator
Bureau of Compliance, Investigation and
Licensing
Pennsylvania Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101