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2008 AUG 21 PM 3:17

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

PA DEPT OF BANKING

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

DOCKET No. 080918 (EMF-ORD)

v. :

WILLIAM D. EDGAR :

ORDER OF PROHIBITION

Background

WHEREAS, the Commonwealth of Pennsylvania, Department of Banking, (Department), is the Pennsylvania state governmental administrative agency authorized and empowered to administer and enforce the Mortgage Bankers and Brokers and Consumer Equity Protection Act (the "MBBCEPA"), 63 P.S. § 456.101, and the Secondary Mortgage Loan Act, 7 P.S. § 6601 *et seq.* (the "SMLA");

WHEREAS, the Bureau of Compliance, Investigation and Licensing (the "Bureau") is primarily responsible for administering and enforcing the MBBCEPA and the SMLA for the Department;

WHEREAS, the Bureau is primarily responsible for administering and enforcing the SMLA;

WHEREAS, William D. Edgar was the President and Office Supervisor of America's Mortgage Outlet Corporation ("AMOC") which was licensed as a First Mortgage Broker under

the MBBCEPA, License No. 4260, and as a Secondary Mortgage Broker under the SMLA, License No. 1655, from July 1, 1999, to July 1, 2005;

**WHEREAS**, William D. Edgar controlled other businesses, including American Home Buyers, Inc. ("AHB"), W.D. Holdings, Inc. ("WDH"), and Western Pennsylvania Real Estate, Inc. ("WPRE");

Criminal Conduct

**WHEREAS**, it was determined that from May 2001 until October 2003, William D. Edgar, conspired with other persons to commit offenses against the United States in violation of Title 18, United States Code, Sections 1014, 1343, 1344, 1956, and 2(b). (*See* Felony Information attached hereto and marked as Exhibit "A");

**WHEREAS**, the offenses committed by William D. Edgar involved the making of false material statements in applications for mortgage loans submitted to federally insured financial institutions for the purpose of influencing the actions of the institutions on the loan applications;

**WHEREAS**, the offenses committed by William D. Edgar further involved the devising of a scheme and artifice to defraud and to obtain money and property owned by, and under the custody and control of various lenders, by means of false and fraudulent pretenses, representations and promises, well knowing at the time that the pretenses, representations and promises were false and fraudulent when made, and during the period charged above, to execute the said scheme and artifice to defraud by transmitting, and causing to be transmitted in interstate commerce by means of wire communications, certain writings, signals and sounds;

**WHEREAS**, the offenses committed by William D. Edgar further involved conducting financial transactions involving the proceeds of the scheme to defraud with the intent to promote

the carrying on of the scheme to defraud and to conceal and disguise the ownership and control of the proceeds of the scheme to defraud;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar and others to falsely represent to lenders that mortgage loan applications were for refinance loans when the mortgage loan applications were actually for purchase loans, thereby causing the lenders to approve and fund loans they otherwise would not have approved and funded;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar and others to falsely inflate the sales prices on purchase money loans thereby causing lenders to approve and make larger loans than they would have otherwise;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar and others to submit to lenders loan applications which contained false information regarding true ownership of properties, sale prices and values of properties, borrowers' employment, income, assets, liabilities or equity ownership in collateral properties in order to deceive the lenders with regard to the financial condition and creditworthiness of the borrowers and the and the values of the properties being financed;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar and others to fabricate documents to support *false statements in the mortgage loan applications*;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar was to cause settlement agents to disburse loan proceeds in a manner contrary to the instructions given by the *lenders*;

**WHEREAS**, it was part of the conspiracy engaged in by William D. Edgar to have loan proceeds paid to various business entities, including the other entities controlled by William D.

Edgar, namely AHB, WDH, and WPRE, to allegedly pay off liabilities owed to those companies when such liabilities did not actually exist;

**WHEREAS**, on or about January 25, 2008, judgment was imposed against William D. Edgar subsequent to a guilty pleas to charges of conspiracy, a violation of 18 U.S.C. § 371, bank fraud, a violation of 18 U.S.C. § 1344 and 2(b), and wire fraud, a violation of 18 U.S.C. § 1343 and 2(b) before the United States District Court, Western District of Pennsylvania (*See Judgment In a Criminal Case attached hereto and marked as Exhibit "B"*);

**WHEREAS**, William D. Edgar's convictions for conspiracy, bank fraud and wire fraud relate to his activity conducted under the MBBCEPA and the SMLA;

**WHEREAS**, William D. Edgar's convictions for conspiracy, bank fraud and wire fraud are the basis for license denial under 63 P.S. § 456.306 (d) of the MBBCEPA;

**WHEREAS**, William D. Edgar's convictions for conspiracy, bank fraud and wire fraud require the issuance of an order for the proper conduct of the business pursuant to the SMLA;

#### Relief

**WHEREAS**, William D. Edgar, by entering a guilty plea, admitted to improper conduct, specifically, conduct that was dishonest, fraudulent, illegal and unfair and unethical;

**WHEREAS**, Section 310(a) of the MBBCEPA provides the Department with the authority to issue orders as may be necessary for the proper conduct of the business of a mortgage broker. 63 P.S. § 456.310(a);

**WHEREAS**, Section 16(1) of the SMLA provides the Department with the authority to issue orders as may be necessary for the proper conduct of the secondary mortgage loan business. 7 P.S. § 6616(1); and,

WHEREAS, as a result of the forgoing, the Bureau has determined that William D. Edgar should be prohibited from engaging in the mortgage loan business as regulated by the MBBCEPA and SMLA.

AND NOW THEREFORE, based upon the forgoing recitals, the Bureau, under the authority cited above, hereby imposes the following order. **Upon the effective date of this Order:**

MBBCEPA

1. Pursuant to the Department's authority under Section 310(a) of the MBBCEPA, 63 P.S. § 456.310(a), William D. Edgar, as a natural person or as a corporation or as any other form of organization of any kind whatsoever, is hereby prohibited from working in the first mortgage loan business as regulated by the MBBCEPA as a licensee, employee, independent contractor, agent, representative, or in any other capacity of any kind whatsoever, in any way whatsoever.

SMLA

2. Pursuant to the Department's authority under Section 16(1) of the SMLA, 7 P.S. § 6616(1), William D. Edgar, as a natural person or as a corporation or as any other form of organization of any kind whatsoever, is hereby prohibited from working in the mortgage loan business as regulated by the SMLA as a licensee, employee, independent contractor, agent, representative, or in any other capacity of any kind whatsoever, in any way whatsoever.

**IT IS SO ORDERED.**

James Keiser  
James Keiser, Administrator  
Bureau of Compliance, Investigation and Licensing

August 21, 2008  
(Date)

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

FILED

2008 AUG 25 PM 1:26

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

PA DEPT OF BANKING

DOCKET No. 080218 (ENF-ORD)

v. :

WILLIAM D. EDGAR :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served one (1) true and correct copy of the foregoing **Order of Prohibition** upon the following parties, who constitute all parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code § 33.35:

**BY CERTIFIED MAIL**

William D. Edgar  
Registration Number 09540-068  
FCI Morgantown  
P.O. Box 1000  
Morgantown, WV 26507

Dated this 25<sup>th</sup> day of August, 2008



Linda Carroll  
Deputy Chief Counsel  
Attorney I.D. # 35868  
Commonwealth of Pennsylvania  
Department of Banking  
17 N. Second Street, 13<sup>th</sup> Floor  
Harrisburg, PA 17101-2290  
Telephone: (717) 787-1471  
Fax: (717) 783-8427