

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING 2008 OCT -2 PM 4:55

COMMONWEALTH OF PENNSYLVANIA	:	PA DEPT OF BANKING
DEPARTMENT OF BANKING, BUREAU	:	
OF COMPLIANCE, INVESTIGATION	:	080369
AND LICENSING,	:	Docket No. _____ (ENF-CD)
	:	
v.	:	
	:	
YOLANDA THOMPSON individually	:	
	:	
And	:	
	:	
FIRST PHILADELPHIA MORTGAGE	:	
EXCHANGE, INC.	:	
	:	
Also known as	:	
	:	
FPME, INC	:	

CEASE AND DESIST ORDER

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 ("MBBCEPA"), 63 P.S. § 456.101 *et. seq.*, and the Secondary Mortgage Loan Act ("SMLA"), 7 P.S. § 6601 *et. seq.*; and

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

WHEREAS, it is the Department's belief that Yolanda Thompson is originating first and/or secondary mortgage loans in Pennsylvania on behalf of First Philadelphia Mortgage Exchange, Inc., also known as FPME, Inc. (collectively "FPME, Inc."); and

WHEREAS, it is the Department's belief that Yolanda Thompson and FPME, Inc. are operating from the same address: 1423 Fitzwater Street, Philadelphia, PA 19146; and

WHEREAS, FPME, Inc. was previously licensed by the Department as a first mortgage broker, license no. 4032 and as a secondary mortgage broker, license no. 1516 with a location of 323 East Sharpnack Street, Philadelphia, PA 19119; and

WHEREAS, Yolanda Thompson was listed as the President of FPME, Inc.; and

WHEREAS, the licenses were cancelled effective July 1, 2001; and

WHEREAS, neither Yolanda Thompson nor FPME are currently licensed as a mortgage broker, banker or lender to engage in the first mortgage or secondary mortgage loan business in Pennsylvania under the MBBCEPA or the SMLA; and

WHEREAS, on October 1, 2008, the Department received a complaint that Yolanda Thompson solicited a mortgage loan for a consumer, _____ who resides at _____

WHEREAS, Yolanda Thompson mailed the Consumer a "Letter of Final Commitment" ("Commitment") to refinance her mortgage loan on behalf of FPME, Inc. located at 1423 Fitzwater Street, Philadelphia, PA 19146 (exhibit A); and

WHEREAS, the Commitment was dated June 4, 2008 and contained language stating that the closing of the refinance would be "No Later Than August 22, 2008;" and

WHEREAS, upon issuance of the Commitment, Yolanda Thompson required that a fee of \$1,000 be paid to FPME, Inc.; and

WHEREAS, on June 21, 2008 the Consumer submitted two money orders to FPME, Inc. totaling \$1,000 for the Commitment, (exhibit B); and

WHEREAS, as of the effective date of this order, the refinance has not closed; and

WHEREAS, as of the date of this Order, the \$1,000 Commitment fee has not been refunded to the Consumer; and

WHEREAS, the Consumer suffered financial harm as a result of this solicitation; and

WHEREAS, on October 1, 2008 Chief of Compliance of Non Depository Institutions Brian Crossland (“Crossland”) placed a phone call to Yolanda Thompson to discuss the business being conducted by FPME, Inc.; and

WHEREAS, Yolanda Thompson disclosed to Crossland that there were approximately eighty (80) consumers from whom advance fees were collected; and

WHEREAS, the advance fees were disclosed to the consumers as a Commitment Fee by FPME, Inc. for the purpose of securing a mortgage; and

WHEREAS, the MBBCEPA provides, in relevant part, that no person shall engage in the first mortgage loan business in this Commonwealth without a license, 63 P.S. § 456.303(a); and

WHEREAS, a person is deemed to be engaged in the first mortgage loan business in this Commonwealth if that person “advertises, causes to be advertised, *solicits*, negotiates or arranges in the ordinary course of business, offers to make or makes more than two *first mortgage loans* in a calendar year in *this Commonwealth, whether directly or by any person acting for his benefit*”, 63 P.S. § 456.302 (emphasis added);

WHEREAS, by soliciting a first mortgage loan from Pennsylvania, Yolanda Thompson and FPME, Inc. violated the MBBCEPA; and

WHEREAS, by originating the loan from Pennsylvania and accepting fees prior to closing in Pennsylvania, Yolanda Thompson and FPME, Inc. violated the MBBCEPA; and

WHEREAS, Section 310(a) of the MBBCEPA, 63 P.S. § 456.310(a), grants the Department broad authority to issue orders for the enforcement of the MBBCEPA; and

WHEREAS, Section 16(1) of the SMLA, 7 P.S. § 6616(1), provides the Department with broad authority to issue orders as may be necessary for enforcement of the SMLA; and

WHEREAS, Section 314(b) of the MBBCEPA states “Any person who is subject to the provisions of this chapter, even though not licensed hereunder, or any person who is not licensed by the department or is not exempt from the licensing requirements, who violates any of the provisions to which it is subject shall be subject to a fine levied by the department or commission of up to \$2,000 for each offense.” 63 P.S. § 456.314(b)

WHEREAS, Section 22(b) of the SMLA states “Except as the result of unintentional error, a corporation licensed under the provisions of this act or any director, officer, employee or agent who shall violate any provision of this act or shall direct or consent to such violations, shall be subject to a fine of \$2,000 for the first offense, and for each subsequent offense a like fine and/or suspension of license.” 7 P.S. § 6622(b)

AND NOW THEREFORE, because Yolanda Thompson engaged in the mortgage loan business in Pennsylvania without a license on behalf of FPME, Inc., an unlicensed entity, the Bureau, under the authority cited above, hereby imposes the following order (“Order”). Upon the Effective Date of this Order:

1. Yolanda Thompson and FPME, Inc. shall immediately cease and desist from engaging in the first and/or secondary mortgage loan business in Pennsylvania, including, but not limited to, soliciting, advertising or causing to be advertised residential first and/or secondary

mortgage loans, negotiating, arranging, originating or closing any applications for such loans, or making or offering to make any such loans from Pennsylvania.

2. Yolanda Thompson and FPME, Inc. shall immediately return any fees to the Consumer, . . . collected as a result of the transaction that is the subject of this Order.

3. Yolanda Thompson and FPME, Inc. shall immediately return any fees collected from any consumers for the purpose of FPME securing a mortgage.

4. Yolanda Thompson and FPME, Inc. shall cease and desist from engaging in the first mortgage loan business and/or secondary mortgage loan business in Pennsylvania under any other business name or entity that is not otherwise mentioned in this Order.

5. Yolanda Thompson and FPME, Inc. shall cease and desist from engaging in the first mortgage loan business and/or secondary mortgage loan business in Pennsylvania from any office location that is not licensed by the Department.

6. Within ten (10) days of the Effective Date of this Order, Yolanda Thompson and FPME, Inc. shall provide to the Department a listing of all residential first and secondary mortgage applications that she has taken while located in Pennsylvania, either directly from the applicant or from any third party, such as another mortgage broker or realtor. The listing shall include:

- a. The name and address of the applicant;
- b. The date of the application;
- c. The status of the application, *i.e.*, in process, closed into a loan, denied, withdrawn, etc.;

d. The company's name under which Yolanda Thompson took the application;

e. For closed loans, the name of the lender; and

f. The amount of fees collected as a result of the transaction; and

g. The amount of advance fees collected.

7. Within ten (10) days of the Effective Date of this Order, Yolanda Thompson and FPME, Inc. shall provide to the Department copies of any advertisements or solicitations that she has used for the purpose of originating first and/or secondary mortgage loan business, while located in Pennsylvania, including, but not limited to, any mail advertisements or solicitations, telephone advertisements, links to internet web pages, customer lists, and any other such information.

8. Yolanda Thompson and FPME, Inc. are jointly and severally responsible for compliance with the terms of this Order.

9. This Order shall not preclude the Department from taking additional administrative action against Yolanda Thompson and FPME, Inc. or any other name or entity under which she is operating as may be necessary.

IT IS SO ORDERED.

Ryan Walsh, Administrator
Department of Banking,
Bureau of Compliance, Investigation and Licensing

October 2, 2008
(Date)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING, BUREAU	:	
OF COMPLIANCE, INVESTIGATION	:	
AND LICENSING,	:	Docket No. 080031(ENF-CD)
	:	
v.	:	
	:	
YOLANDA THOMPSON individually	:	
	:	
And	:	
	:	
FIRST PHILADELPHIA MORTGAGE	:	
EXCHANGE, INC.	:	
	:	
Also known as	:	
	:	
FPME, INC	:	

CERTIFICATE OF SERVICE

I hereby certify that I on this day, October 3, 2008 I have caused to be served a copy of this Cease and Desist Order, via United States First Class, Certified Mail, and hand delivery upon those named below in accordance with the requirements of 1 Pa. Code § 33.37:

Yolanda Thompson
1423 Fitzwater Street
Philadelphia, PA 19146

FPME, Inc.
1423 Fitzwater Street
Philadelphia, PA 19146

Linda Carroll
Deputy Chief Counsel
Pennsylvania Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471