COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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

v.

MLD MORTGAGE, INC. D/B/A
THE MONEY STORE

Docket No. 09-0094 (ENF-CO)

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (the "Department"), Bureau of Examinations, has conducted an examination of MLD Mortgage, Inc. d/b/a The Money Store ("The Money Store") and its officers, employees and directors. Based on the results of the examination, the Bureau of Compliance, Investigation and Licensing (the "Bureau") believes that The Money Store operated in violation of 7 Pa. C. S. § 6101 et. seq. (the "Mortgage Act"). The parties to the above captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (the "Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Mortgage Act.

2. The Bureau is primarily responsible for administering and enforcing the Mortgage Act for the Department.
3. The Mortgage Act is the successor statute to Chapter 3 of the Mortgage Bankers and Brokers and Consumer Equity Protection Act (the “MBBCEPA”), 63 P.S. § 456.301 et. seq., and the Secondary Mortgage Loan Act (the “SMLA”), 7 P.S. § 6601 et. seq. On November 5, 2008, Chapter 3 of the MBBCEPA and the SMLA were repealed by operation of law and replaced by the Mortgage Act.

4. On September 1, 2006, The Money Store was licensed by the Department under the MBBCEPA and the SMLA as First Mortgage Banker, license no. 16603, and as a Secondary Mortgage Lender, license no. 16607.

5. On November 5, 2008, The Money Store was granted a conditional license pursuant to the newly enacted Mortgage Act.

6. The Money Store is currently licensed as a Mortgage Lender, license no. 21384, under the Mortgage Act.

7. The Money Store maintains its principal place of business in Pennsylvania at 5 Great Valley Pkwy, Ste 244, Malvern, PA 19355 (the “Principal Place”).

8. The Money Store also maintains a branch license at the corporate headquarters located in Florham Park, NJ (the “Corporate Office”) and a branch license in Valley View, OH.

9. On April 17, 2008, an examiner from the Department initiated an examination of The Money Store at the Principal Place (the “Examination”).

10. At the time of the Examination, the Principal Place and the Corporate Office were the only licensed locations of The Money Store.

Loans Originated Prior to Licensure

11. The Money Store was originally licensed as a first mortgage banker in Pennsylvania on September 1, 2006.
12. During the examination, the Examiner for the Department obtained records demonstrating that The Money Store had engaged in the mortgage loan business in Pennsylvania prior to licensure.

13. Specifically, The Money Store, through its employees, originated thirteen (13) first mortgage loans involving Pennsylvania consumers and property prior to the initial license date of September 1, 2006.

14. Section 6102 of the Mortgage Act (corresponding to Section 302 of the MBBCEPA) defines the mortgage loan business as "the business of advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans." 7 Pa. C.S. § 6102.

15. Section 6111(a) of the Mortgage Act (corresponding to Section 303(a) of the MBBCEPA) states "no person shall engage in the mortgage loan business in this Commonwealth without being licensed as a mortgage broker, mortgage lender, mortgage loan correspondent or mortgage originator as provided under this chapter . . . ." 7 Pa. C.S. § 6111(a).

16. Section 6112(3) of the Mortgage Act (corresponding to Section 303(b)(5) of the MBBCEPA) grants an exemption for licensure for "A person who either originates, negotiates or services less than three mortgage loans in a calendar year in this Commonwealth, unless the person is otherwise deemed to be engaged in the mortgage loan business by the department." 7 Pa. C.S. § 6112(3).

17. The Money Store was required to be licensed under the Mortgage Act because it, through its employees, originated thirteen (13) mortgage loans in Pennsylvania during the 2006 calendar year prior to being licensed by the Department.
Authority of the Department

18. Section 6138(a)(4) of the Mortgage Act (corresponding to Section 310(a) of the MBBCEPA and Section 16(1) of the SMLA) 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 Act. 7 Pa. C.S. § 6138(a)(4).

19. Section 6140(b) of the Mortgage Act provides, in relevant part, that “[a] person licensed under this chapter or director, officer, owner, partner, employee or agent of a licensee who violates a provision of this chapter or who commits any action which would subject the licensee to suspension, revocation or nonrenewal under section 6139 may be fined by the department up to $10,000 for each offense.” 7 Pa C.S. § 6140(b).

VIOLATION

20. The Money Store violated Section 6111(a) of the Mortgage Act by engaging in the mortgage loan business without a license when it originated thirteen (13) mortgage loans in Pennsylvania before obtaining its license with the Department.

RELIEF

21. Fine. The Money Store agrees to pay a fine of five thousand dollars ($5,000) which shall be due and payable to the Department within thirty (30) days of the Effective Date of this Order. The fine payment shall be remitted by a certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of the Compliance Division, Bureau of Compliance, Investigation and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.
FURTHER PROVISIONS

22. Consent. The Money Store hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the Mortgage Act and agrees that it understands all of the terms and conditions contained therein. The Money Store, 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.

23. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking Code. 71 P.S. § 733-302.A.(5).

24. 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 The Money Store.

25. Binding Nature. The Department and The Money Store intend to be and are legally bound by the terms of this Order.

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

27. Effectiveness. The Money Store hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

28. 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 The Money Store in the future regarding all matters not resolved by this Order.
b. The Money Store 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.

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

30. **Counterparts.** This Order may be executed in separate counterparts and by facsimile.

31. **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
Department and The Money Store 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 LICENSING

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

Date: 11/6/2007

FOR MORTGAGE, INC. D/B/A THE MONEY STORE

(Officer Signature)

(Print Officer Name)

Chairman

(Title)

Date: 5-22-09