

FILED

COMMONWEALTH OF PENNSYLVANIA 2010 FEB -5 PM 1:54
DEPARTMENT OF BANKING

PA DEPT OF BANKING

| | | |
|-------------------------------|---|---------------------------------------|
| COMMONWEALTH OF PENNSYLVANIA | : | Docket No. : 10 <u>0010</u> (ENF-ORD) |
| DEPARTMENT OF BANKING, BUREAU | : | |
| OF COMPLIANCE, INVESTIGATION | : | |
| AND LICENSING, | : | |
| | : | |
| v. | : | |
| | : | |
| CDA LAW CENTER. | : | |

NOTICE OF RIGHT TO APPEAL AND HEARING

You, CDA Law Center, have the right to appeal the attached Order within 10 days of the date of service. See 1 Pa. Code § 35.20. The date of service is the date the Order is deposited in the mail or delivered to you in person, as the case may be, as set forth in 1 Pa. Code § 33.34. If you appeal the Order, you also have a right to a hearing.

To file an appeal and request a hearing on the Order, you must file a petition with the Secretary of Banking within 10 days of the date of service. 1 Pa. Code § 35.20. The petition must be in writing, state clearly and concisely your grounds of interest in the subject matter, the facts you rely upon, the law you rely upon, and the relief you seek. See 1 Pa. Code § 35.17. Please deliver your petition to:

Linnea Freeberg, Docket Clerk
Office of Executive Deputy Secretary
Pennsylvania Department of Banking
17 N. Second Street, Suite 1300
Harrisburg, PA 17101

The petition must be received by the Docket Clerk within the aforementioned 10 day deadline. If the Docket Clerk does not receive your petition on time, your right to a hearing will be waived and the Order will be deemed final.

If you choose to file a petition challenging the Order, please send an additional copy to:

Lauren Sassani, Assistant Counsel
Pennsylvania Department of Banking
17 N. Second Street, Suite 1300
Harrisburg, PA 17101

Once you file your petition appealing the Order and requesting a hearing, you will be notified of the hearing date, time, place, the person who will preside at your hearing, and any other pertinent information.

You have the right to be represented by an attorney. Corporations may be required to be represented by an attorney.

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§ 501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.1.-35.251.

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ORDER

WHEREAS, the Department of Banking (the "Department") is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Mortgage Licensing Act, 7 Pa. C.S. § 6101 et seq.; and

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

WHEREAS, the Mortgage Licensing Act amended the Mortgage Act on August 5, 2009. *See* 7 Pa. C.S. § 6101 et seq., amended by Act 31 of 2009, H.B. 1654 (P.N. 2448); and

WHEREAS, CDA Law Center maintains a website, www.cdalawcenter.com; and

WHEREAS, CDA Law Center advertises that it is in mortgage loan modification business. *See* Exhibit A; and

WHEREAS, Pennsylvania is included in the dropdown menu under *Free Consultation*. *See* Exhibit A; and

WHEREAS, the Mortgage Licensing Act applies to any mortgage loan that is "(i) negotiated, offered or otherwise transacted within this Commonwealth, in whole or in part,

whether by the ultimate lender *or any other person*; (ii) made or executed within this Commonwealth; or (iii) notwithstanding the place of execution, secured by real property located in this Commonwealth.” 7 Pa. C.S. § 6135(1) (emphasis added); and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines “mortgage loan business” as “[t]he 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; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “first mortgage loan” as a loan which is “(1) made primarily for personal, family or household use; and (2) secured by any first lien mortgage, deed of trust, or equivalent consensual security interest on a dwelling or on residential real estate.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “secondary mortgage loan” as “(1) made primarily for personal, family or household use; and (2) secured by any secondary lien mortgage, deed of trust, or equivalent consensual security interest on a dwelling or on residential real estate.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “mortgage loan” as “[a] first or secondary mortgage loan, or both, as the context may require.” 7 Pa. C.S. § 6102; and

WHEREAS, Section 6102 of the Mortgage Licensing Act defines a “mortgage originator” as “(1) [a]n individual [who] takes a mortgage loan application or offers or negotiates terms of a mortgage loan for compensation or gain.” 7 Pa. C.S. § 6102; and

WHEREAS, by advertising the loan modification business to Pennsylvania consumers, CDA Law Center has engaged in the “mortgage loan business” as defined in the Mortgage Licensing Act; and

WHEREAS, Section 6111(a) of the Mortgage Licensing Act provides that “. . . 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. A mortgage originator may not engage in the mortgage loan business unless the mortgage originator is employed and supervised by a licensed mortgage broker, mortgage lender or mortgage loan correspondent. . .” 7 Pa. C.S. § 6111(a); and

WHEREAS, Section 6112(2) of the Mortgage Licensing Act provides an exception to licensure for attorneys at law “*not* otherwise engaged in or holding himself or herself out to the public as being engaged in the mortgage loan business who acts as a mortgage broker or a mortgage originator in negotiating or placing a mortgage loan in the normal course of legal practice.” 7 Pa. C.S. § 6112(2) (emphasis added); and

WHEREAS, by advertising the loan modification business directly on its website and including Pennsylvania in the drop-down menu under “Free Consultation”, CDA Law Center is actively engaged in, and holding themselves out, as being engaged in the mortgage loan business in Pennsylvania; and

WHEREAS, CDA Law Center does not meet the exception to licensure in Section 6112(2) of the Mortgage Licensing Act; and

WHEREAS, CDA Law Center does not meet any of the other exceptions to licensure in Sections 6111(b) and 6112 of the Mortgage Licensing Act. *See* 7 Pa. C.S. §§ 6111(b), 6112; and

WHEREAS, CDA Law Center is not licensed to engage in the mortgage loan business in Pennsylvania; and

WHEREAS, CDA Law Center has violated the Mortgage Licensing Act by engaging in the mortgage loan business in Pennsylvania without a license; and

WHEREAS, Section 6138(a)(4) of the Mortgage Licensing Act 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 Licensing Act. 7 Pa. C.S. § 6138(a)(4); and

WHEREAS, Section 6140(a) of the Mortgage Licensing Act provides, in relevant part that “[a] person subject to the provisions of this chapter and not licensed by the department who violates any provision of this chapter or who commits any action which would subject a license to suspension, revocation or nonrenewal under section 6139 (relating to suspension, revocation or refusal) may be fined by the department up to \$10,000 for each offense.” 7 Pa. C.S. § 6140(a); and

AND NOW, THEREFORE, since CDA Law Center has engaged in unlicensed activity, the Bureau, pursuant to its authority referenced above hereby imposes the following Order:

1. Loan Origination. Upon the effective date of this Order, CDA Law Center and any and all officers, members, managers, employees, independent contractors or agents of CDA Law Center shall cease and desist from engaging in the mortgage loan business subject to the Mortgage Licensing Act, including, but not limited to, advertising (including website advertising), accepting applications and negotiating mortgage loans and mortgage loan modifications in Pennsylvania or to Pennsylvania consumers, unless and until such time that CDA Law Center and all loan originators as defined by the Mortgage Licensing Act are licensed by the Department pursuant to the Mortgage Licensing Act.

2. Pipeline Report. Upon the effective date of this Order, CDA Law Center shall provide a list of consumers who CDA Law Center has worked with in order to negotiate mortgage loan modifications (the "Pipeline Report"). The Pipeline Report shall include, but is not limited to:

- a. The names, addresses and phone numbers of consumers that have responded to CDA Law Center's advertisements or that CDA Law Center has as clients; and
- b. The amount of fees collected from the consumers; and
- c. The current rate, term and payment of the consumers' loans; and
- d. The proposed rate, term and payment of the loans subsequent to the loan modification; and
- e. The current status and/or resolution of the loan modification.

The list shall be sent to John Talalai, Administrator, Compliance Division, at jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

3. Advertising. Upon the effective date of this Order, CDA Law Center shall provide a list of any other websites or copies of any other advertising that CDA Law Center utilizes including, but not limited to, mail solicitations. The information shall be sent to John Talalai, Administrator, Compliance Division, at jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

4. Contact Information. Upon the effective date of this Order, CDA Law Center shall provide a list of all owners, officers and employees of CDA Law Center. The list shall include the name, address telephone number and position of these individuals. The information

shall be sent to John Talalai, Administrator, Compliance Division. at jtalalai@state.pa.us, by 5:00 PM eastern time on the effective date of this Order.

5. Non-prohibited Conduct. Nothing in this Order shall prevent CDA Law Center from negotiating loan modifications for consumers listed on the Pipeline Report if the consumers listed on the Pipeline Report provided the consumer wants CDA Law Center to proceed on his/her behalf.

6. Reservation of Rights. Nothing in this Order shall prevent the Bureau from taking any further administrative action as deemed necessary including, but not limited to imposing fines pursuant to Section 6140(a) or (b) of the Mortgage Licensing Act or seeking restitution for consumers.

IT IS SO ORDERED.

Redacted

~~John Talalai, Administrator~~
~~Department of Banking,~~
Bureau of Compliance, Investigation and Licensing

2-5-2010
(Date)

EXHIBIT A

Favorites

http://bninvestigation/WorkS... http://bnbankweb/dob/defa... CDA Law Center - Loan M...

Page Safety Tools

Monday, 01 February 2010

Home | About Us | Contact Us



CDA LAW CENTER

do not know what I would have done without CDA. They listened to my banking predicament and helped me with my loan modification outcome. Everyone was so attentive to my personal situation and my questions were answered immediately. They truly were compassionate and concerned about my individual situation.

Loan Restructuring
Explore your options

Foreclosure
Can you avoid it?

Bankruptcy
What does it mean?

Predatory Lending

Application
Get started today!

Search



Have Questions? Call Us: 877-499-4435

LOAN MODIFICATION SERVICES

Our legal staff will work with you in collecting all the information needed in order to process and expedite your loan modification quickly and successfully.

- ✓ Lower Your Payments
- ✓ Fix Your Interest Rate
- ✓ Reduce Loan Balance
- ✓ Stop Foreclosure Now

Free Consultation

First Name

Last Name

Email

Phone

Pennsylvania

Loan Balance

Get Help Now!

We received Great News today; our modification has been taken



We received great feedback... our modification has been taken care of. I also might add that we certainly appreciate your hard work and thank you for taking our phone calls.
read more >>

What We Do For You

- Notify lender you are represented by Counsel
- Complete a financial analysis of your situation
- Prepare a case to present to your lender
- Help you create an effective hardship letter
- Prepare a property value report
- Present your package to your lender
- Negotiate a new lower payment
- Provide a modification agreement



CDA Law Center (CDALC) is a legal center where our experienced case managers, paralegals, analysts, former underwriters, and attorneys gather your information and conduct a financial analysis to determine if you may qualify for a loan modification. During his 30 years as an attorney, Robert A. Scutari has negotiated and resolved disputes on behalf of consumers and businesses alike. How do you know? Our other fine attorneys at CDALC attentively work on every loan modification case we take on. If you do choose, we will perform a comprehensive analysis of your active loan documents for mortgage, bank and predatory lending violations. Our investigator has over 28 years of predatory lending experience and is a recognized expert witness in these types of cases. This is not a "compliance module" computer-generated report but a hands-on investigation where you will receive a copy of every report and violator found with a background on the laws that were violated. If we think we can successfully negotiate your case with your lender, we'll fight on your behalf to get you the legal protection and immediate foreclosure relief you need, at a fraction of what a refinanced loan would cost you.

Our experience and understanding on how to navigate around the lender's barriers to success, combined with the fact you are being represented by and have retained an attorney in the loan modification process, will push the lender to get you the very best terms available and to take your case seriously. No one's case is exactly the same. It requires an experienced eye and our attorney's will work direct with the legal department of your lender, bypassing the functions and Loss Mitigation departments whenever possible so we can get you relief as quick on your month's mortgage payment to help you save your home. Act with confidence you are dealing with reputable attorneys who are ethically bound to fight for your rights and who will protect your best interests. We can help you prevent foreclosure, prevent Bankruptcy, stop your rate from modifying, and lower your payments in most cases.

Loss mitigation is a relatively new industry that is not well tightly regulated. As such, there are many former mortgage brokers, debt settlement companies, and scam artists purporting themselves to be attorney-based "attorney assisted" or "attorney backed" companies in which you are not actually retaining an



cdlawcenter.com

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Mandelman Matters

I'm here...for the games begin.

Recognized as a Top Trusted Firm! CDA Law Center is recognized as a Top Trusted Law firm for assistance with your home mortgage issues. Be well know Consumer Advocate, Columnist and Radio personality, Martin Mandelmann. Tune in to Martin's radio show, Saturday, from 11am to 11:30am PST. Stream it here

mortgage lenders, non-attorney companies, and scam artists purporting themselves to be "attorney-based," "attorney-assisted," or "attorney-backed" companies in which you are not actually retaining an attorney to represent you. These companies do not have the right to invoke your legal rights or discuss legal advice to you. Potentially losing your home to a foreclosure is the changing event that has very, very negative implications to your credit and to your ability to buy another house. Do your diligence and ask to speak to the attorney you are about to retain, and make sure he is on site and part of the firm you are retaining. These companies often purport to have 100% guarantees but may only be successful in getting you a forbearance agreement without addressing the real issue, the terms of your original agreement.

LOADING DEFERRED PAGE

More information

FORECLOSURE AND LOAN MODIFICATION PREDATORS

Consumers who are facing foreclosure have become prime targets for former or current mortgage brokers, and other "loss mitigation" or "loan li[...]

+ FULL STORY

MANY CONSIDER FORECLOSURE AS HOME VALUES DROP

You bought what you thought would be a great long term investment, and maybe you put very little money down hoping values would continue to climb [...]

+ FULL STORY

CAN'T QUALIFY FOR A NEW MORTGAGE

2 years ago, I decided to take out an adjustable rate mortgage on my Florida home as the mortgage Broker convinced me this was the best financial [...]...

+ FULL STORY

LOAN MODIFICATION RATES SOAR

Recent legislation at the state and federal level as well as some recent bank takeovers by the FDIC have made loan modification application rates [...]...

+ FULL STORY

TIPS AND TRICKS OF A LOAN MODIFICATION

Is your mortgage causing you trouble? Are you having difficulty making the payments? Has it adjusted and you cannot afford the new payment? Are you [...]...

+ FULL STORY

HOME FINANCE GLOSSARY OF TERMS

Accelerate - An option given to lenders through an "acceleration" clause in the mortgage or deed of trust requiring the borrower to pay the entire [...]...

+ FULL STORY

Internet 100%

+ FULL STORY

ALTERNATIVES TO FORECLOSURE - AN EDUCATIONAL GUIDE

First and foremost it is vital that you communicate regularly with your lender and understand all of your options. Whether you're about to have your...

+ FULL STORY

PREDATORY LENDING AND YOU

In 2006, over 7.1 million Americans owned their own home - more than any time in American history. With the start of the Mortgage Lending boom in 200...

+ FULL STORY

COMMON PREDATORY LENDING PRACTICES

These days, abusive practices conducted within the mortgage lending vertical have increased drastically along with the hefty growth of the subprime...

+ FULL STORY

FACING FORECLOSURE: THE RIGHT OF RESCISION

Chances are you have tried everything possible to make your mortgage payments - but may have fallen far behind and are now facing a foreclosure sale...

+ FULL STORY

WHAT TYPE OF LOAN MODIFICATION COMPANY SHOULD I HIRE?

Buyer beware! There are many non-qualified companies including debt settlement companies and former mortgage companies vying for your money, all of...

+ FULL STORY

CALIFORNIA FORECLOSURE LAW SB 1137

The rules that govern how a lender can foreclose on a California property have changed as a result of Governor Schwarzenegger's signing Senate Bill...

+ FULL STORY

ADVANCE FEES AND LOAN MODIFICATIONS

Department of Real Estate commissioner Davis of California warned Mortgage Brokers and Real Estate agents about taking advance fees for loan modification...

+ FULL STORY

HOPE FOR HOMEOWNERS: A FAILURE

An industry in Denial The latest statistics released show that the banking industry has been dragging its feet when it comes to helping homeowners...

+ FULL STORY

HERE'S A LETTER WRITTEN BY A REAL HOMEOWNER

I was watching Fox News last night and saw their free loan modification story. They made it sound so simple and enticing that I could immediately...

+ FULL STORY

SENATE BANKING COMMITTEE: FAILURE TO GET A LOAN MOD

If a member of the House Finance Committee can't get through the bureaucratic maze at these lenders, how can homeowners do this without help?

+ FULL STORY

UNABLE TO STEM FORECLOSURES, OBAMA TRIES THE NEXT BEST THING

Although President Obama launched the Making Home Affordable program to great fanfare in March, the actual results have not been impressive. He...

+ FULL STORY

FOLKS LOSING HOMES DIAL 1-800: NO ONE ANSWERS

LOS ANGELES, California (CNN) -- Megan Cavellan works up from her stack of hundreds of faxes and documents, proof of her efforts to help...

+ FULL STORY

get through the bureaucratic maze at these lenders
how can home-owners do this without help?

+ FULL STORY

Home Affordable program to great fanfare in March
the actual results have not been impressive. He

+ FULL STORY

Cavalan took up from her stack of hundreds of
faxes and documents, proof of her efforts to

+ FULL STORY

I HATE IT WHEN THEY TREAT ME LIKE I'M 6!

IS THIS WHAT I'M TO UNDERSTAND? By Martin
Andleman You don't need to hire anyone to help you
negotiate with your bank for a loan modification!

+ FULL STORY

TESTIMONY BEFORE THE UNITED STATES SENATE
ON THE STATE OF FORECLOSURES & LOAN
MODIFICATIONS

Just under one month ago, on Jul. 26, 2009, Diane
Thompson testified in front of the United States
Senate Committee on Banking, Housing &
Urban

+ FULL STORY

HOW BANKS VIEW LOAN MODIFICATIONS

By Martin Andleman, Mandelman Matters, I can't
think of any subject that has been so widely and
thoroughly discussed and studied, over such a
long

+ FULL STORY

A HUNDRED THOUSAND HOMEOWNERS – VOICES
OF HOPE & CHANGE

I spend time talking with homeowners
every single day. I listen to their
stories: day after day, and it's so
painful because I feel so helpless

+ FULL STORY

TILA AND RESPA RECISSION INEFFECTIVE IN REAL-
WORLD FORECLOSURE DEFENSE

By Patrick Puteh When facing foreclosure, the
homeowner is always confronted with the difficult
task of researching information to acquaint him or

+ FULL STORY

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST CLASS MAIL

CDA Law Center
120 Vantis
Suite 405
Aliso Viejo, CA 92656

Dated this 5th day of February, 2010.

Redacted

Lauren A. Sassani
Assistant Counsel
Attorney I.D. # 203016
FOR: Commonwealth of Pennsylvania
Department of Banking
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471