

2. The Bureau is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department.

3. At all relevant and material times, American Commercial was licensed as a mortgage broker under the Mortgage Licensing Act with license number 25548.

4. American Commercial maintains its principal place of business in Pennsylvania at 20-22 North 3rd St, Unit 301, Philadelphia, PA 19106-2118.

5. Jeffrey Bechtold is the president of American Commercial and owns fifty per cent of the company.

Unlicensed Mortgage Originators

6. The Mortgage Licensing Act provides, in relevant part, that “. . . on and after the effective date of this section [November 5, 2008], no person shall engage in the mortgage loan business in this Commonwealth without being licensed as a . . . 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).

7. Effective October 5, 2009, amendments to the Mortgage Licensing Act required owners of licensed mortgage brokers to be licensed individually as mortgage originators before performing the services of a mortgage originator. 7 Pa.C.S. § 6111.

8. Beginning on July 7, 2010 the Bureau conducted an investigation that revealed Jeffrey Bechtold originated mortgages for his company American Commercial after October 5, 2009, when unlicensed to perform such loan origination services.

9. The Bureau obtained a loan log from American Commercial pursuant to its

investigation for the period beginning October 5, 2009 through August 4, 2010.

10. The loan log shows that eighteen mortgage loan applications were originated between October 5, 2009 and August 4, 2010 by Jeffrey Bechtold on behalf of American Commercial while he remained unlicensed as a mortgage originator.

11. The mortgage loan applications originated by Jeffrey Bechtold for American Commercial subsequent to October 5, 2009 are in violation of the Mortgage Licensing Act.

Authority of the Department

12. Section 6138(a)(4) of the Mortgage Licensing Act grants the Department broad authority to issue orders for the proper conduct of the mortgage licensing business and the enforcement of the Mortgage Licensing Act. 7 Pa. C.S. § 6138(a)(4).

13. Section 6139 of the Mortgage Licensing Act provides that the Department may suspend, revoke or refuse to renew a license issued under the Mortgage Licensing Act if an owner has “failed to comply with or violated any provision of this chapter. . . ” and if “a mortgage broker, mortgage lender or mortgage loan correspondent, conducted the mortgage loan business through an unlicensed mortgage originator.” 7 Pa. C.S. § 6139(a)(2) and (a)(14).

14. Section 6140(b) of the Mortgage Licensing 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).

VIOLATIONS

15. American Commercial and Jeffrey Bechtold jointly and severally violated the

Mortgage Licensing Act on eighteen occasions when Jeffrey Bechtold continued to perform the services of a mortgage originator without a separate mortgage originator license after October 5, 2009 in accordance with the Mortgage Licensing Act. 7 Pa. C.S. § 6111.

RELIEF

18. Fine. American Commercial and Jeffrey Bechtold, jointly and severally, agree to pay a fine of \$4,500.00 which shall be due and payable to the Department in two installments each of \$2,250.00. The first installment will be due within thirty days of the effective date of this Order as defined in paragraph 25 below, and the second installment within sixty days of the effective date of the 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 Compliance Division, Bureau of Compliance, Investigation and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

19. Corrective Measures. Upon the effective date of this Order, American Commercial and Jeffrey Bechtold shall cease and desist from performing the services of a mortgage originator without a separate mortgage originator license.

FURTHER PROVISIONS

20. Consent. American Commercial and Jeffrey Bechtold hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order issued pursuant to the Bureau's order authority under the Mortgage Licensing Act and agree that they understand all of the terms and conditions contained herein. American Commercial and Jeffrey Bechtold, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

21. 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)

22. 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 American Commercial and Jeffrey Bechtold.

23. Binding Nature. The Department, Jeffrey Bechtold, and American Commercial and all officers, owners, directors, employees, heirs and assigns of American Commercial intend to be and are legally bound by the terms of this Order.

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

25. Effectiveness. American Commercial and Jeffrey Bechtold hereby stipulate and agree that the Order shall become effective on the date the Bureau executes the Order.

26. 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 American Commercial and Jeffrey Bechtold in the future regarding all matters not resolved by this Order.

b. American Commercial and Jeffrey Bechtold acknowledge and agree that this Order is only binding upon the Department and not other local, state or federal agency, department or office regarding matters within this Order.

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

28. Counterparts. This order may be executed in separate counterparts and by facsimile or electronic mail in portable document format "pdf."

29. 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, American Commercial and Jeffrey Bechtold 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**

Robert E. Knaub, Enforcement Administrator
Bureau of Compliance, Investigation and Licensing
Department of Banking

Date: 8/26/10

**FOR AMERICAN COMMERCIAL LENDING, INC. d/b/a
AMERICAN MORTGAGE LENDING**

(Officer Signature) /

(Print Officer Name)

President
(Title)

Date: 8/26/10

FOR JEFFREY ~~W~~ TOLD. individually

(Signature)

(Print Name)

Date: 8/20/10