

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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

PA DEPT OF BANKING

Docket No. 10 015 (ENF-ORD)

v.

DEBRA PHILLIPS, individually

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PA DEPT OF BANKING

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ORDER OF PROHIBITION

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

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

WHEREAS, on January 30, 2008 the United States Attorneys' Office, Western District of Pennsylvania, filed an indictment against Debra Phillips ("Phillips"). (See Indictment attached as Exhibit A); and

WHEREAS, the Indictment alleged that "from in or around August 2007, and continuing thereafter until in or around September 2007, in the Western District of Pennsylvania and elsewhere" Phillips "knowingly and willfully did conspire, combine, confederate and agree with persons known to the United States Attorney, ... to commit" the offense of Wire Fraud (18

U.S.C. § 1343) and the offense of Attempt and Conspiracy (18 U.S.C. § 1349) (See Exhibit A ¶¶ 1 and 5); and

WHEREAS, the Indictment alleged Phillips:

(a) operated Equitable Lending, a mortgage broker business, with other individuals and they assisted buyers of real estate in obtaining financing to purchase real estate (See Exhibit A ¶2.); and

(b) assisted individuals known to the United States Attorney as RM and MG to submit to lenders mortgage applications on behalf of RM and MG that contained material misrepresentations as to RM and MG's down payment financial circumstances (See Exhibit A, ¶3); and

(c) knew that other members of the conspiracy submitted false documents to lenders in connection with the loan closings (See Exhibit A, ¶4); and

(d) knew that the documents contained false information representing that RM and MG made a down payment on the properties they were purchasing, when in fact as Phillips and the other members knew, RM and MG did not make any down payment associated with the purchase of the properties (See Exhibit A, ¶4); and

(e) caused wire transfers from the accounts of the lending institutions, located outside the Commonwealth of Pennsylvania, to the accounts of the closing agents located in the Commonwealth of Pennsylvania (See Exhibit A ¶5); and

WHEREAS, on March 20, 2009 Phillips pled guilty to the felony of Wire Fraud Conspiracy (See copy of Plea attached as Exhibit B); and

WHEREAS, Phillips' actions in the commission of Wire Fraud relate to the mortgage industry; and

WHEREAS, the Department has the authority to "prohibit or permanently remove a person or licensee responsible for a violation of this chapter from working in the present capacity or in any other capacity of the person or licensee related to activities regulated by the department" 7 Pa. C.S. § 6138(a)(5); and

WHEREAS, the Department has broad authority to issue orders as may be necessary for the enforcement of the Mortgage Licensing Act, 7 Pa. C.S. § 6138(a)(4); and

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

Debra Phillips, 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 Mortgage Licensing Act 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.

Date: 4/20/10

Lucy Cortez
Lucy Cortez, Enforcement Administrator
Department of Banking
Bureau of Compliance, Investigation and Licensing
Market Square Plaza
17 N. 2nd Street, Suite 1300
Harrisburg, PA 17101

1534

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA)

v.)

DEBRA PHILLIPS)

Criminal No. 09-25

(18 U.S.C. § 1349)

INFORMATION

The United States Attorney charges:

THE CONSPIRACY AND ITS OBJECTS

1. From in or around August 2007, and continuing thereafter until in or around September 2007, in the Western District of Pennsylvania and elsewhere, the defendant, DEBRA PHILLIPS, knowingly and willfully did conspire, combine, confederate and agree with other persons known to the United States Attorney as DZ and RD, to commit an offense against the United States, that is, Wire Fraud, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS OF THE CONSPIRACY

2. It was a part of the conspiracy that the defendant, DEBRA PHILLIPS, operated Equitable Lending, a mortgage broker business that assisted buyers of real estate to obtain financing to purchase real estate.

3. It was a part of the conspiracy that the defendant, DEBRA PHILLIPS, assisted individuals known to the United States Attorney as RM and MG to submit loan applications that, as the defendant, DEBRA PHILLIPS, then well knew contained material

misrepresentations related to the financial condition of RM and MG and about whether RM and MG were borrowing money to make the down payment.

4. It was further a part of the conspiracy that other members of the conspiracy submitted false documents in connection with the loan closings representing that RM and MG had made a down payment on the properties that they were purchasing, when in fact as the defendant, DEBRA PHILLIPS, and other members of the conspiracy then well knew, RM and MG did not make any down payment associated with the purchase of the properties.

5. It was further a part of the conspiracy that the defendant, DEBRA PHILLIPS, caused wire transfers from the accounts of the lending institutions, located outside the Commonwealth of Pennsylvania, to the accounts of the closing agent located in the Commonwealth of Pennsylvania, in furtherance of the Wire Fraud scheme.

All in violation of Title 18, United States Code, Section 1349.

MARY BETH BUCHANAN
United States Attorney
PA ID No. 50254

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

DEBRA PHILLIPS

Criminal No. 09-25

ARRAIGNMENT PLEA

Defendant Debra Phillips

being arraigned, pleads Guilty
in open Court this 20th day of
March, 2009.

~~_____~~
(Defendant's Signature)

~~_____~~
(Attorney for Defendant)

FILED

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

Docket No.: 10 0115 (ENF-ORD)

v.

DEBRA PHILLIPS, individually

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order of Prohibition upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code § 33.31:

BY FIRST CLASS MAIL and CERTIFIED MAIL

Debra Phillips
1211 Clover Circle Court
Pittsburgh, PA 15219

Dated this 21st day of April 2010.

Sarah Sedlak, Assistant Counsel
Commonwealth of Pennsylvania
Department of Banking
Bureau of Compliance, Investigation
and Licensing
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(718) 787-1471

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DEPARTMENT OF BANKING, BUREAU OF
COMPLIANCE, INVESTIGATION AND
LICENSING

PA DEPT OF BANKING

Docket No.: 100115 (ENF-ORD)

v.

DEBRA PHILLIPS, individually

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing **Order of Prohibition** upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code § 33.31:

BY FIRST CLASS MAIL and CERTIFIED MAIL

Debra Phillips
1211 Clover Circle Court
Pittsburgh, PA 15227-3909

Dated this 5th day of May 2010.

Sarah E. Sedlak, Assistant Counsel
Commonwealth of Pennsylvania
Department of Banking
Bureau of Compliance, Investigation
and Licensing
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(718) 787-1471