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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING PA DEPT OF BANKING

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

v.

MONEYLINE LENDING, LLC

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: Docket No. 10 0216 (ENF-CO)
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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, through the Department of Banking's (the "Department") Bureau of Compliance, Investigation and Licensing (the "Bureau"), based on information obtained through its investigation, believes that Moneyline Lending, LLC ("Moneyline Lending"), operated in violation of the Mortgage Licensing Act, 7 Pa. C.S. § 6101 *et seq.* It is Moneyline Lending's position that at all times it operated with the belief that it was in compliance with the Mortgage Licensing Act, and all other relevant statutes and regulations. Moneyline Lending enters into this agreement and order to resolve this matter without litigation, but without admitting guilt or wrongdoing. Accordingly, the parties, 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 Licensing Act.
2. The Bureau is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department.

3. Moneyline Lending is licensed as a mortgage loan correspondent under the Mortgage Licensing Act, license no. 22144 with a Nationwide Mortgage Licensing System and Registry number of 141356.

4. Moneyline Lending maintains its principal place of business at 2325 Paxton Church Road, Suite B, Harrisburg, PA 17110.

5. Moneyline Lending cooperated fully with the investigation and provided all the necessary information requested in a timely fashion to the Department.

Unlicensed Mortgage Originator

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. Beginning on August 20, 2010 the Bureau conducted an investigation that revealed Moneyline Lending had originated mortgages through an employee unlicensed to perform such services.

8. The Bureau obtained a loan log from Moneyline Lending pursuant to its investigation for the period beginning November 5, 2008 through August 20, 2010.

9. The loan log shows that fourteen mortgage loan applications were originated between March 6, 2009 and August 26, 2009 by the unlicensed loan originator.

10. It is the Department's position that the mortgage loan applications originated by Moneyline Lending subsequent to November 5, 2008 through the unlicensed individual were in violation of the Mortgage Licensing Act.

11. Moneyline Lending is required to directly supervise, control and maintain responsibility for the acts and omissions of the mortgage originators it employs. 7 Pa. C.S. § 6131(f)(1).

12. By failing to ensure that Moneyline Lending employed only licensed mortgage loan originators, Moneyline Lending failed to directly supervise, control and maintain responsibility for the acts and omission of the mortgage originators it employed as required by the Mortgage Licensing Act.

13. Moneyline Lending stated that at all times it believed it was properly originating and processing mortgage loans and contends that the violation was unintentional and has since instituted internal control procedures to ensure that all originators are licensed prior to engaging in the mortgage business.

14. Moneyline Lending is currently in compliance with section 7 Pa. C.S. § 6111(a) of the Mortgage Licensing Act.

Authority of the Department

15. 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).

16. 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).

17. 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

18. It is the Department’s position that Moneyline Lending was in violation of the Mortgage Licensing Act on fourteen occasions when it conducted the mortgage loan business through an unlicensed mortgage originator after November 5, 2008, and when it failed to properly control and supervise its employees in accordance with the requirements of the Mortgage Licensing Act. 7 Pa. C.S. § 6111(a); 7 Pa. C.S. § 6131(f)(1).

RELIEF

19. Fine. Moneyline Lending, to avoid litigation and without admitting wrongdoing, agrees to pay a fine of three thousand five hundred dollars (\$3,500) which shall be due and payable to the Department within thirty (30) days of the effective date of this Order as defined in paragraph 26 below. The fine payment shall be remitted by a company check, 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.

20. Corrective Measures. Upon the effective date of this Order, Moneyline Lending shall cease and desist from conducting the mortgage loan business through unlicensed mortgage

originators and from failing to properly control and supervise its employees in accordance with the requirements of the Mortgage Licensing Act.

FURTHER PROVISIONS

21. Consent. Moneyline Lending hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order issued pursuant to the Bureau's order authority under the Mortgage Licensing Act and agrees that it understands all of the terms and conditions contained herein. Moneyline Lending, 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.

22. 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)

23. 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 Moneyline Lending.

24. Binding Nature. The Department, Moneyline Lending and all officers, owners, directors, employees, heirs and assigns of Moneyline Lending intend to be and are legally bound by the terms of this Order.

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

26. Effectiveness. Moneyline Lending hereby stipulates and agrees that the Order shall become effective on the date the Bureau executes the Order.

27. 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 Moneyline Lending, in the future regarding all matters not resolved by this Order.

b. Moneyline Lending acknowledges and agrees 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.

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

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

30. 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 Moneyline Lending, 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 Walsh, Administrator
Bureau of Compliance, Investigation and Licensing
Department of Banking

Date: September 10, 2010

FOR MONEYLINE LENDING, LLC

(Officer ~~Signature~~ Signature)

(Print Officer Name)

(Title)

Date: 9/10/10