

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING

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

Petitioner,

v.

AMERICAN MODIFICATION  
CONSULTANTS AND NICHOLAS  
MILANO, INDIVIDUALLY,

Respondents.

Docket No.: 100169 (ENF-ORD)

PA DEPT OF BANKING

2011 MAR 21 PM 1:32

FILED

**NOTICE OF RIGHT TO APPEAL**

You, American Modification Consultants and Nicholas Milano are hereby notified that you have the right to appeal the attached Final Order (the "Order") issued by the Commonwealth of Pennsylvania Department of Banking.

If you wish to appeal the attached Order, you must file a petition for review with the Prothonotary of the Pennsylvania Commonwealth Court within 30 days of the date of mailing of the attached Order, in accordance with and pursuant to Title 65 P.S. § 66.4(a). If you file a petition for review with the Prothonotary of the Pennsylvania Commonwealth Court, the petition for review must comply with Pennsylvania Rules of Appellate Procedure 1511 *et seq.*

Please be advised that failure to file a petition for review with the Prothonotary of the Pennsylvania Commonwealth Court pursuant to the Pennsylvania Rules of Appellate Procedure will result in the attached Order becoming final and unappealable.

In addition, please be advised that this Notice of Right to Appeal is not intended to and does not constitute legal advice. You should consult an attorney regarding your legal rights including your right to appeal the attached Order or your right to file an application for rehearing or reconsideration.

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FINAL ORDER

AND NOW, this 18<sup>th</sup> day of March, 2011, based upon the pleadings filed in this case, all matters of record, the proposed Final Order prepared by Hearing Officer Jackie Wiest Lutz, Esquire, the failure of American Modification Consultants ("AMC") and Nicholas Milano ("Milano") (jointly the "Respondents") to file exceptions to or otherwise oppose the Hearing Officer's Proposed Final Order and the findings and conclusions contained therein, the Hearing Officer's proposed Final Order is **ADOPTED**, and it is hereby

**ORDERED** and **DECREED** that

1. Owing to the Respondents' failure to file a response to the Petitioner's *Amended Order* dated December 23, 2010, the factual averments contained therein are **DEEMED ADMITTED**;
2. Owing to the Respondents' failure to file a response to the Petitioner's *Amended Order* dated December 23, 2010, the Petitioner's *Notice of Appeal and Request for Hearing* is **DEEMED WAIVED**;

3. Owing to the Respondents' failure to file a response to the Petitioner's *Amended Order* dated December 23, 2010, and pursuant to the provisions of the Mortgage Licensing Act, 7 Pa.C.S. § 6101 *et seq.*, the following penalties imposed in Paragraphs 1 through 12 of the *Amended Order* (Pages 12 through 16) are DEEMED FINAL;

(a) Refunds.

(i) Within 30 days from the date of this Final Order, Respondents shall make the following refunds to the consumers listed below:

Redacted	\$1,500
	\$1,800
	\$955
Redacted	\$1,500
Redacted	\$1,800
	\$1,500
Redacted	\$1,500
Redacted	\$1,500

(ii) Within 30 days from the date of this Final Order, Respondents shall provide to the Bureau a list of all consumers that Respondents identified were owed refunds or to whom refunds have already been made. For those consumers Respondents have identified as being owed refunds and who have not received such refunds, Respondents shall provide those refunds within 30 days from the date of this Final Order.

(iii) Within 60 days after the date of this Final Order, and every 7 days thereafter until all consumer refunds are made, Respondents shall provide the following to the Bureau regarding each consumer owed a refund:

a. A list of the names, addresses, telephone numbers, and the amount of the refunds.

b. A report indicating: (1) the manner in which the refunds are being made; (2) the date on which the refunds were sent to consumers; (3) evidence that the refund was paid to the consumer, *i.e.* a copy of a cleared

check; and (4) a list of any consumer refunds that were returned or are not able to be delivered.

(iv) If, after 180 days from the date of this Final Order and after having made diligent and reasonable efforts to provide consumer refunds in accordance with the provisions of this Final Order, the Respondents are unable to deliver refunds or refunds were returned, the Respondents shall consider any such refunds as unclaimed property and follow the Commonwealth of Pennsylvania's Disposition of Abandoned and Unclaimed Property Law, 72 P.S. 1301.1 et seq.

(b) Modifications.

(i) Consumer Letter:

- a. Within 5 days of the date of this Final Order, AMC shall provide to the Bureau for its review and approval a draft letter addressed to any consumers listed in Exhibit "A" attached hereto advising them that (1) they can either proceed with AMC attempting to negotiate a modification on their behalf for another 30 days or (2) decide that they do not wish to continue with AMC, in which case AMC shall return any fees taken and provide a copy of the consumer's file so the consumer may negotiate with their lender themselves. The letter shall also request that the consumers respond in writing with their decision.
- b. AMC shall send the letter within 5 days of the receipt of the Bureau's approval.
- c. Within 14 days after the Bureau's approval under subsection (3)(b)(i)b., a copy of each letter sent to the consumers shall be provided to the Bureau.

d. All consumer responses to the letter shall be sent to the Bureau within 5 days after receipt by AMC.

(ii) For those consumers choosing to permit AMC to negotiate a modification on their behalf, AMC shall have 30 days from the date AMC received the consumer's response to complete the modification. If the modification is not completed after the expiration of the 30 days, AMC shall refund any fees taken from those consumers and provide copies of the consumers' files for the consumers to proceed on their own.

(iii) For each of the consumers listed in Exhibit "A," the Respondents shall provide a report to the Bureau within 30 days after the date of this Final Order every 14 days thereafter until such time as there are no pending modifications and all refunds are made, if applicable, the following information:

- a. the names, addresses and phone numbers of the consumers listed in the exhibit.
- b. the amount of fees collected from the consumers.
- c. the status of each of the consumer's loan modification as of the date of this Final Order.
- d. the decision of the consumer to on whether or not to have AMC proceed.
- e. the current state of the modification or refund.

(c) Fine. Respondents are hereby fined \$10,000 jointly and severally for their failure to provide the Bureau with information in a timely manner and for violating the previous order.

(d) Reporting. All documents required to be given to the Bureau shall be addressed to the attention of Ryan Walsh, Administrator, Commonwealth of Pennsylvania Department of Banking, 17 N. 2d Street, Suite 1300, Harrisburg PA, 17101.

By:

Redacted

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VICTORIA A. REIDER  
EXECUTIVE DEPUTY SECRETARY

Date of Mailing: 3/21/11

AMERICAN MODIFICATION CONSULTANTS ("AMC")		
LOAN MODIFICATIONS ACTIVE		
AS OF JULY 29, 2010		
CONSUMER NAME	DATE OF PIPELINE REPORT	STATUS
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	TRIAL PERIOD
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	CURRENT (04/10)
Redacted	1/5/2010	ACTIVE
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	MOD COMPLETED
Redacted	12/2/2009	TRIAL PERIOD
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	TRIAL PERIOD
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/22/2009	UNDER REVIEW
Redacted	12/2/2009	MODIFIED
Redacted	1/5/2010	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	W/DREW UNDER FINAL REVIEW
Redacted	1/5/2010	TRIAL PERIOD
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	1/5/2010	CURRENT (04/10)
Redacted	12/2/2009	TRIAL PERIOD
Redacted	12/2/2009	CURRENT (04/10)
Redacted	12/2/2009	FINAL REVIEW
Redacted	1/5/2010	ACTIVE
Redacted	12/2/2009	TRIAL PERIOD
Redacted	12/2/2009	CURRENT (04/10)
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	TRIAL PERIOD

<b>CONSUMER NAME</b>	<b>DATE OF PIPELINE REPORT</b>	<b>STATUS</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	12/2/2009	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	12/2/2009	<b>HIRED ATTY; LEGAL ISSUES</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>UNDER REVIEW</b>
Redacted	1/5/2010	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>FINAL REVIEW; NEGOTIATOR ASSGND</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	12/2/2009	<b>CURRENT (03/10)</b>
Redacted	12/2/2009	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>TRIAL PERIOD</b>
Redacted	12/2/2009	<b>FINAL REVIEW; NEGOTIATOR ASSGND</b>
Redacted	12/2/2009	<b>CURRENT (03/10)</b>
Redacted	12/2/2009	<b>FINAL REVIEW</b>
Redacted	12/2/2009	<b>TRIAL PERIOD</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	1/5/2010	<b>CURRENT (03/10)</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	12/2/2009	<b>TRIAL PERIOD</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	1/5/2010	<b>FINAL REVIEW; NEGOTIATOR ASSGND</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	12/2/2009	<b>UNDER REVIEW</b>
Redacted	12/2/2009	<b>CURRENT (03/10)</b>
Redacted	12/2/2009	<b>FINAL REVIEW; NEGOTIATOR ASSGND</b>
Redacted	1/5/2010	<b>TRIAL PERIOD</b>
Redacted	12/2/2009	<b>CURRENT (04/10)</b>
Redacted	1/5/2010	<b>UNDER REVIEW</b>
Redacted	1/5/2010	<b>FINAL REVIEW; NEGOTIATOR ASSGND</b>



<b>CONSUMER NAME</b>	<b>DATE OF PIPELINE REPORT</b>	<b>STATUS</b>
Redacted	12/2/2009	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	CURRENT (04/10)
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	CURRENT (04/10)
Redacted	1/5/2010	TRIAL PERIOD
Redacted	1/5/2010	CURRENT (03/10)
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	FINAL REVIEW
Redacted	1/5/2010	TRIAL PERIOD
Redacted	1/5/2010	TRIAL PERIOD
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	CURRENT (03/10)
Redacted	12/2/2009	FINAL REVIEW
Redacted	2/18/2010	FINAL REVIEW; NEGOTIATOR ASSGND
Redacted	12/2/2009	TRIAL PERIOD
Redacted	12/2/2009	CURRENT (04/10)
Redacted	1/5/2010	TRIAL PERIOD
Redacted	12/2/2009	CURRENT (04/10)
Redacted	12/2/2009	UNDER REVIEW
Redacted	12/2/2009	CURRENT
Redacted	12/2/2009	UNDER REVIEW
Redacted	1/5/2010	TRIAL PERIOD
Redacted	1/5/2010	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	UNDER REVIEW
Redacted	1/5/2010	UNDER REVIEW
Redacted	12/2/2009	FINAL REVIEW
Redacted	1/5/2010	TRIAL PERIOD





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CERTIFICATE OF SERVICE

I hereby certify that on March 21, 2011, I have served a true and correct copy of the foregoing documents and all attachments thereto and/or enclosures therewith, upon the following individuals in accordance with the requirements of 1 Pa. Code § 33.31 (relating to service by agency), in the manner indicated below:

BY FIRST CLASS U.S. MAIL:

John J. Martucci, Jr. Esquire  
Martucci Law Offices, LLC  
One Penn Center, Suite 510  
1617 John F. Kennedy Boulevard  
Philadelphia, PA 19103

BY HAND DELIVERY

✓ Lauren A. Sassani, Assistant Counsel  
Department of Banking  
17 North Second Street, Suite 1300  
Harrisburg, PA 17101-2290

By:

Redacted

Robert C. Lopez, Deputy Chief Counsel  
17 N. Second Street, Suite 1300  
Harrisburg PA 17101  
Phone: (717) 787-1471  
Counsel to the Adjudicator