

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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

v.

RICK O. CONNER

PA DEPT OF BANKING

Docket No. : 12 0083 (ENF-ORD)

NOTICE OF RIGHT TO APPEAL AND HEARING

You, Rick O. Conner, 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:

Sharon M. Williams, 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.

WHEREAS, Rick O. Conner (“Mr. Conner”) is listed as the contact for Express Mortgage; and

WHEREAS, Mr. Conner is not licensed as a Mortgage Loan Originator; and

WHEREAS, on October 11, 2011, the Department received a complaint concerning alleged unlicensed activity by Express Mortgage; and

WHEREAS, the Department conducted a compliance examination and investigation as a result of the complaint; and

WHEREAS, the examination revealed that Mr. Conner was not acting in the capacity of a loan processor as he had stated during the examination, but rather was engaged in the mortgage loan business as an unlicensed mortgage loan originator; and

WHEREAS, the MLA defines a loan processor or underwriter as “[a]n individual who performs clerical or support duties as an employee at the direction of and subject to the supervision and instruction of a person licensed or exempt from licensing under this chapter.” 7 Pa. C.S. § 6102; and

WHEREAS, The Department examiner reviewed twenty (20) loan files during the examination; and

WHEREAS, nineteen (19) of the twenty (20) loan documents in the loan files were signed by Ms. Walls as the mortgage originator; one was signed by Mr. Conner; and

WHEREAS, a Department examiner and special investigator interviewed approximately twelve (12) consumers selected from among the twenty (20) files that were reviewed; and

WHEREAS, each of the consumers told the Department that they had never worked with or met Ms. Walls, and had dealt only with Mr. Conner throughout the entire loan process; and

WHEREAS, the MLA provides, in relevant part, that “on and after the effective date of this section, 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 6133(d)(1) of the MLA states in part “The department may deny a license if it finds that the applicant or a director, officer, partner, employee, agent or ultimate equitable owner of 10% or more of the applicant has been convicted of a crime of moral turpitude or felony in any jurisdiction or of a crime which, if committed in this Commonwealth, would constitute a crime of moral turpitude or felony. The department shall deny a mortgage originator license if the applicant has been convicted of any felony during the seven-year period preceding the date of the license application or at any time preceding the date of application, if the felony involved an act of fraud, dishonesty, breach of trust or money laundering, unless the applicant has been pardoned for the conviction.....” 7 Pa.C.S. § 6133(d)(1); and

WHEREAS, Mr. Conner pled guilty to felony bank fraud on November 7, 1994; and

WHEREAS, the Department is statutorily required to deny Mr. Conner a mortgage originator license if he applies for one, due to his criminal record; and

WHEREAS, the examination and investigation revealed that Mr. Conner originated residential first mortgage loans for Express Mortgage in Pennsylvania without a license; and

WHEREAS, originating mortgage loan without a license, Mr. Conner was in violation of the MLA; 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, Section 6138(a)(4) of the Mortgage Licensing Act (corresponding to Section 310(a) of the MBBCEPA and Section 16(1) of the SMLA) grants the Department broad authority to issue orders as may be necessary for the enforcement of the Mortgage Licensing Act, 7 Pa.C.S. § 6138(a)(4) (corresponding to 63 P.S. § 456.310(a) and 7 P.S. § 6616(1));

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, Mr. Conner, as a natural person or as a corporation or as any other form of organization of any kind whatsoever, shall be prohibited from negotiating, arranging, advertising, soliciting, originating, or placing mortgage loans directly or indirectly into the primary market for consideration, as regulated by the Department for the remainder of his natural life.

IT IS SO ORDERED.

Date: September 28, 2012

Ryan M. Walsh
Compliance Division Chief
Department of Banking
Bureau of Compliance and Licensing
17 N. Second Street, Suite 1300
Harrisburg, PA 17101

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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:

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED
AND FIRST CLASS MAIL

Rick O. Conner
229 Cunningham Drive
Hyndman, PA 15545

Dated this 28th day of September 2012.

Sharon M. Williams, Assistant Counsel
Attorney I.D. # 207545
FOR: Commonwealth of Pennsylvania
Department of Banking
17 N. Second Street, Suite 1300
Harrisburg, PA 17101
Telephone: (717) 787-1471
Fax: (717) 783-8427