

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING**

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

v.

THE MONEY SOURCE, INC.

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: **Docket No. 12 00060 (ENF-CO)**
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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (“Department”), Bureau of Examinations has conducted a routine examination of The Money Source, Inc. (“The Money Source”) and its officers, employees and directors. Based on the results of its review, the Bureau of Compliance and Licensing (“Bureau”) concluded that The Money Source operated in violation of the Mortgage Licensing Act (“MLA”), 7 Pa. C.S. § 6101 *et seq.* The parties to the above-captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (“Order”).

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the MLA.
2. The Bureau is primarily responsible for administering and enforcing the MLA for the Department.
3. The Money Source is a corporation that engages in the mortgage loan business in Pennsylvania as mortgage lender.

4. The Money Source is licensed by the Department as a mortgage lender, Nationwide Mortgage Licensing System and Registry Identification No. 6289, Mortgage Lender License No. 21026.

5. The Money Source's principal place of business is located at 135 Maxess Road, Melville, NY 11747.

6. On February 6, 2012, an examiner from the Bureau of Examinations commenced a routine compliance examination of The Money Source upon which the Bureau's position is based.

7. The purpose of this Order is to resolve the outstanding issues resulting from the February 6, 2012 examination.

VIOLATIONS

Unlicensed Mortgage Originators

8. The MLA provides, in relevant part, that "on and after the effective date of this section [(i.e., November 5, 2008)], 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).

9. The MLA prohibits a mortgage lender from conducting mortgage loan business through an unlicensed mortgage originator. 7 Pa. C.S. § 6139(a)(14).

10. The examination revealed that The Money Source originated seven (7) mortgage loans through five (5) mortgage originators who were not licensed pursuant to the MLA.

AUTHORITY

11. The Department has authority to issue orders as may be necessary for the proper conduct of the mortgage loan business by licensees and the enforcement of the MLA. 7 Pa. C.S. § 6138(a)(4).

12. The Department has the authority to suspend, revoke or refuse to renew a license if a licensee has failed to comply with or violated any provision of the MLA. 7 Pa. C.S. § 6139(a)(2).

13. The Department may fine a person that commits any action which would subject the licensee to suspension, revocation or nonrenewal under 7 Pa. C.S. § 6139 up to \$10,000 per offense. 7 Pa. C.S. § 6140(b).

RELIEF

14. Fine. The Money Source agrees to pay a fine of one thousand seven hundred fifty dollars (\$1,750) which shall be due and payable to the Department within thirty (30) days of the Effective Date of this Order. The fine payment shall be remitted by certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of: Pennsylvania Department of Banking, Non-Depository Institutions, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

15. Corrective Action. Upon the Effective Date of this Order, The Money Source shall ensure that all mortgage loans are originated by licensed mortgage loan originators.

FURTHER PROVISIONS

16. Consent. The Money Source hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MLA and agrees that it understands all of the terms and conditions contained therein. The

Money Source, 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.

17. 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).

18. 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 The Money Source.

19. Binding Nature. The Department and The Money Source intend to be and are legally bound by the terms of this Order.

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

21. Effectiveness. The Money Source hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order.

22. 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 The Money Source, in the future regarding all matters not resolved by this Order.

b. The Money Source acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

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

24. Counterparts. This Order may be executed in separate counterparts and by facsimile or electronic mail in portable document format "PDF."

25. 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 Commonwealth of Pennsylvania, Department of Banking, Bureau of Compliance and Licensing and The Money Source, Inc. intending to be legally bound, do hereby execute this Consent Agreement and Order.

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

John Datalai, Enforcement Administrator
Bureau of Compliance and Licensing
Department of Banking

Date: 6-20-2012

FOR THE MONEY SOURCE, INC.

(Officer Signature)

(Print Officer Name)

PRESIDENT
(Title)

Date: 6/20/12