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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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PA DEPT OF BANKING

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

v.

WCS LENDING, LLC

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: Docket No. 12 0063 (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 WCS Lending, LLC (“WCS Lending”) and its officers, employees and directors. Based on the results of its review, the Bureau of Compliance and Licensing (“Bureau”) concluded that WCS Lending 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. WCS Lending is a corporation that engages in the mortgage loan business in Pennsylvania as mortgage lender.

4. WCS Lending is licensed by the Department as a mortgage lender, Nationwide Mortgage Licensing System and Registry Identification No. 4260, Mortgage Lender License No. 21348.

5. WCS Lending's principal place of business is located at 951 Yamato Road, Suite 150, Boca Raton, FL 33431.

6. On March 22, 2012, an examiner from the Bureau of Examinations commenced a routine compliance examination of WCS Lending upon which the Bureau's position is based.

7. The purpose of this Order is to resolve the outstanding issues resulting from the March 22, 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 WCS Lending originated fourteen (14) mortgage loans through eleven (11) 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 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

13. Fine. WCS Lending 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. 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.

14. Corrective Action. Upon the Effective Date of this Order, WCS Lending shall ensure that all mortgage loans are originated by licensed mortgage loan originators.

FURTHER PROVISIONS

15. Consent. WCS Lending 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. WCS 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.

16. 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).

17. 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 WCS Lending.

18. Binding Nature. The Department and WCS Lending intend to be and are legally bound by the terms of this Order.

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

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

21. 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 WCS Lending, in the future regarding all matters not resolved by this Order.

b. WCS Lending 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.

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

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

