

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

2015 JUL 31 AM 8:58

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, COMPLIANCE OFFICE	:	
	:	
v.	:	Docket No. 15 <u>0025</u> (BNK-ORD)
	:	
WINGSPAN PORTFOLIO ADVISORS, LLC	:	
	:	

NOTICE OF RIGHT TO APPEAL AND HEARING

You have the right to appeal the attached Order within **30 days** of the date of the Order as provided in 1 Pa. Code § 35.20. To appeal the Order, you must file a petition, in writing, with the Docket Clerk as set forth below. **If the Docket Clerk does not receive your petition within 10 days, you will waive your right to a hearing and the Order will be deemed final.**

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 as required by 1 Pa. Code §35.17.

The petition and all other documents relating to this matter must be filed with the Docket Clerk:

Linnea Freeberg, Docket Clerk
Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101

Further, you must serve a copy of the petition on the person who signed the attached Order by providing a copy to their counsel set forth below:

Sharon Williams, Assistant Counsel
Pennsylvania Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101

Once you file your petition, you will be notified of pertinent information such as the name of the presiding officer designated by the Banking and Securities Commission to hear this matter and, if a hearing is scheduled, the date, time and location of the hearing. You have the right to be represented by an attorney.

All 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.

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

2015 JUL 31 AM 8:58

COMMONWEALTH OF PENNSYLVANIA	:	PA DEPARTMENT OF
DEPARTMENT OF BANKING AND	:	BANKING AND SECURITIES
SECURITIES, COMPLIANCE OFFICE	:	
	:	
v.	:	Docket No. 15 <u>0025</u> (BNK-ORD)
	:	
WINGSPAN PORTFOLIO ADVISORS, LLC	:	
	:	

ORDER

Through this order, the Department of Banking and Securities (“Department”), Compliance Office, hereby suspends the mortgage loan correspondent license of Wingspan Portfolio Advisors, LLC, (“Wingspan Portfolio”). Wingspan Portfolio is ordered to cease and desist from engaging in the mortgage business, including loan brokering and origination activities beginning thirty (30) days from the filing date of this Order, until such time as the license suspension is lifted. In support of its Order, the Compliance Office states the following:

Parties

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the Mortgage Licensing Act, 7 Pa.C.S. § 6101 *et seq.* (“MLA”).
2. The Department is located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.
3. The Compliance Office administers and enforces the MLA for the Department.
4. Wingspan Portfolio operates at 18451 N. Dallas Pkwy, Dallas, TX 75287.

5. Wingspan Portfolio is licensed by the Department as a mortgage broker, License No. 46262, Nationwide Mortgage Licensing System and Registry (“NMLS”) Unique Identification No. 61526.

6. Stephanie Askew is identified in NMLS as Wingspan Portfolio’s Senior Vice President of Compliance and Legal and primary contact person.

Surety Bond

7. The MLA and federal law requires all mortgage licensees, including mortgage lenders, mortgage brokers, and mortgage loan correspondents, to obtain and maintain a surety bond, in a form acceptable to the Department from a surety company authorized to do business in the Commonwealth. 7 Pa.C.S. § 6131 (c)(5), (d)(3), (e)(3), (f)(4); 12 U.S.C. § 5107(d)(6).

8. The purpose of the surety bond is for the use of the Commonwealth and any consumer who is injured by the acts or omissions of the licensee’s mortgage originators in the mortgage loan business. 7 Pa.C.S. § 6131 (c)(5), (d)(3), (e)(3), (f)(4).

9. In October of 2014, the Department revised the bond forms required under Section 6131 of the MLA.

10. On or around January 30, 2015, the Department sent a letter to all mortgage licensees requiring submission of a revised surety bond to the Department no later the April 30, 2015. (See a true and correct copy of the “notification letter” attached as Appendix A)

11. On or around May 4, 2015, the Department sent out a “Final Notice” to all licensees who had not submitted a revised surety bond, including Wingspan Portfolio, requiring submission of a revised surety bond no later than May 29, 2015 in order to avoid administrative action. (See a true and correct copy of the “notification letter” attached as Appendix B)

12. The Department made several additional efforts to obtain the revised surety bond from the mortgage licensees who had not complied, including Wingspan Portfolio.

13. As of the date of this Order, Wingspan Portfolio has not provided proof that it obtained the required revised surety bond.

14. Wingspan Portfolio is operating as a mortgage licensee without the required revised surety bond.

15. Because Wingspan Portfolio has been operating without the revised surety bond, there is a risk of financial harm to Pennsylvania consumers if Wingspan Portfolio's originators cause injury to consumers in the mortgage loan business.

16. The Department has the authority to issue orders for the enforcement of the MLA. 7 Pa.C.S. § 6138(a)(4).

17. The Department has the authority to suspend any license issued pursuant to the MLA if a licensee has failed to comply with or violated any provision of the MLA. 7 Pa.C.S. § 6139(a)(2).

18. A licensee who violates the any provision of the MLA or who commits any action which would subject the licensee to suspension, revocation or nonrenewal under Section 6139 of the MLA may be fined by the Department up to \$10,000 per offense. 7 Pa.C.S. § 6140(b).

19. By failing to provide the Department with a revised surety bond, Wingspan Portfolio is in violation of the MLA.

AND NOW THEREFORE, because Wingspan Portfolio has violated the MLA by failing to provide the revised surety bond to the Department, the Compliance Office under the authority cited above, hereby imposes the following Order.

a. Beginning thirty (30) days from the filing date of this Order, Wingspan Portfolio's license is **SUSPENDED** until it provides a fully executed revised surety bond to the Department. The surety bond shall be provided to: John Talalai, Compliance Office, Department of Banking and Securities, 17 N. 2nd St., Ste. 1300, Harrisburg, PA 17101.

b. On the thirtieth (30th) day following the filing of this Order, Wingspan Portfolio shall provide to the Compliance Office a pipeline report for the following categories of loans:

- i. loans that have closed, but have not yet funded;
- ii. loans that have been approved but that have not closed;
- iii. applications that have been received, but no decision has been made on approving the applications; and
- iv. applications that are in the initial stages of review and document gathering.

The pipeline report shall include the following information:

- i. the name, address and telephone number of the applicant;
- ii. the loan number or FHA case number;
- iii. the amount of all prepaid loan fees submitted by the applicant;
- iv. the amount of each loan;
- v. the status of the loan;
- vi. the purpose of the loan (i.e., purchase or refinance); and
- vii. the status of the loan (e.g., funded by Wingspan Portfolio, referred to another broker/lender, returned to broker, withdrawn by the applicant).

Wingspan Portfolio shall provide this pipeline report to John Talalai, Administrator, Compliance Office via email at jtalalai@pa.gov on the date the license suspension becomes effective. This pipeline report shall be updated weekly until the Compliance Office no longer requires updates

c. On the thirtieth (30th) day following the filing of this Order, Wingspan Portfolio shall pay a FINE of \$5,000 to the Department. Payment shall be made by certified check or money order made payable to the Department of Banking and Securities, and shall be mailed or delivered in person to the Compliance Office located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

d. While Wingspan Portfolio's license is suspended, it shall not, in any way, engage in the mortgage loan business in this Commonwealth, as defined in the MLA, until such time that the Department reinstates its license upon receipt of the surety bond, except that it may continue to process only those loans that it has included in the pipeline list provided to the Compliance Office.

e. Nothing in this Order shall prevent the Compliance Office from taking any further administrative action as deemed necessary for the enforcement of the MLA.

IT IS SO ORDERED.

Redacted

John R. Talalai, Administrator
Department of Banking and Securities
Compliance Office

Dated: 7/30/2015

APPENDIX A



January 30, 2015

Stephanie Askew
Wingspan Portfolio Advisors, LLC
18451 N. Dallas Pkwy
Dallas TX 75287

Re: Bond Forms approved in 2014

Dear Stephanie Askew:

In 2014, the Department revised the bond forms required under section 6131 of the Mortgage Licensing Act, 7 Pa. C.S. § 6131. The Office of General Counsel approved the revised bond forms on September 5, 2014. The Office of Attorney General approved the bonds on October 27, 2014. Now, the bond forms reflect more consistent and simplified language while maintaining the same statutory requirements as the prior bond forms. The Department is requiring all licensees to complete the applicable bond form and submit it to the Department by no later than April 30, 2015.

The Mortgage Licensing Act bond forms may be found on the Department's new website at: www.dobs.pa.gov. To locate the bond, go to the "business" tab on the home page, then highlight the "non-bank licensees" category, click on the "mortgage licensees" option and select the applicable bond type from the list in the "bonds" box at the right. The bond may be submitted either by hardcopy to the address listed below, or electronically to Sharon Dick, sdick@pa.gov.

If the applicable bond form is not received by April 30, 2015, the Department will utilize the enforcement powers granted to it by the Mortgage Licensing Act. If you have any questions regarding this letter, you should call the Office of Licensing at (717)787-3717.

Redacted

Robert E. Knaub, Director
Office of Licensing

APPENDIX B



May 4, 2015

Ms. Stephanie Askew
Wingspan Portfolio Advisors, LLC
18451 N. Dallas Pkwy Suite 1110
Dallas TX 75287

Re: ***Final Notice***Bond Forms approved in 2014

Dear Ms. Askew:

You received a letter dated January 30, 2015, requiring that you submit a new updated bond form no later than April 30, 2015.

To date, we have not received the required bond form. Please follow the instructions outlined below; the required updated form must be submitted by May 29, 2015, to avoid administrative action.

The Mortgage Licensing Act bond forms may be found on the Department's new website at: www.dobs.pa.gov. To locate the bond, go to the "business" tab on the home page, then highlight the "non-bank licensees" category, click on the "mortgage licensees" option and select the applicable bond type from the list in the "bonds" box at the right. **The bond may be submitted either by hardcopy to the address listed below, or electronically to Sharon Dick, sdick@pa.gov.**

If the applicable bond form is not received by May 29, 2015, the Department will utilize the enforcement powers granted to it by the Mortgage Licensing Act. If you have any questions regarding this letter, you should call the Office of Licensing at (717)787-3717.

Redacted

Robert E. Knaub, Director
Office of Licensing

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

FILED
2015 JUL 31 AM 8:58

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, COMPLIANCE OFFICE

v.

WINGSPAN PORTFOLIO ADVISORS, LLC

: PA DEPARTMENT OF
: BANKING AND SECURITIES
:
:
: Docket No. 150025 (BNK-ORD)
:
:
:

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST CLASS MAIL

Wingspan Portfolio Advisors, LLC
18451 N. Dallas Pkwy
Dallas, TX 75287

Dated this 31st day of July, 2015.

Redacted

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