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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES 2016 JAN -7 PM 1:21

PA DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES, COMPLIANCE OFFICE

v.

Docket No. 16 0002 (BNK-CAO)

MLD MORTGAGE, INC.  
d/b/a THE MONEY STORE

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Compliance Office ("Office"), has reviewed the business practices of MLD Mortgage, Inc. d/b/a The Money Store ("The Money Store"), and its officers, employees and directors. Based on the results of its review, the Office concludes that The Money Store operated in violation of the the Mortgage Licensing Act, 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 was the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the Mortgage Licensing Act.
2. The Office is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department.
3. The Money Store maintains its principal place of business at 30 Vreeland Road, Florham Park, NJ 07932 and operates in multiple states across the country.

4. The Money Store is licensed by the Department as a mortgage lender license no. 21384, with Nationwide Mortgage Licensing System and Registry ("NMLS") identification no. 1019.

5. On July 10, 2010, The Money Store entered into a Consent Agreement and Order, docket no. 100149 to resolve issues relating to a mortgage originator engaging in the mortgage loan business without a Pennsylvania license.

6. The Department conducted a review of The Money Store.

7. The Money Store fully cooperated with the Department's review and timely provided all requested information.

#### Unlicensed Mortgage Origination

8. The Mortgage Licensing Act requires anyone engaging in the mortgage loan business in the Commonwealth to be licensed as a mortgage broker, mortgage lender, mortgage loan correspondent or mortgage originator. 7 Pa. C.S. § 6111(a).

9. Licensed mortgage originators must be sponsored in the NMLS by a licensed mortgage broker, mortgage lender or mortgage loan correspondent and operate under the direct supervision and control of the sponsoring licensee. 7 Pa. C.S. § 6111(a).

10. The Department's review revealed that The Money Store accepted mortgage loan business from an unlicensed mortgage originator.

11. As a mortgage lender licensee, The Money Store is prohibited from accepting Pennsylvania mortgage loan business from a mortgage originator that is not licensed in the Commonwealth. 7 Pa. C.S. § 6139(a)(14).

12. The Money Store told the Department that it based upon this finding, The Money Store instituted additional internal control measures to ensure that all mortgage originators are properly licensed and sponsored in NMLS.

13. The Money Store explained that the additional internal control measures will also prohibit individuals not licensed or sponsored from engaging in the mortgage business in the Commonwealth.

14. Because it conducted the mortgage loan business through an unlicensed mortgage originator, The Money Store is in violation of section 6139(a)(14) of the Mortgage Licensing Act.

#### 2010 Consent Agreement

15. On July 10, 2010, The Money Store entered into a Consent Agreement and Order, docket no.100149 to resolve issues relating to a mortgage originator engaging in the mortgage loan business without a Pennsylvania license.

16. As part of that consent, The Money Store agreed to only conduct the mortgage loan business through licensed mortgage originators.

17. Because it again conducted the mortgage loan business through an unlicensed mortgage originator, The Money Store is in violation of the July 10, 2010 Consent Agreement.

#### Mortgage Call Reports

18. The Department's review revealed that The Money Store incorrectly stated the name of a mortgage originator on Pennsylvania mortgage loans in its Mortgage Call Reports.

19. As a mortgage lender licensee, The Money Store is required to provide accurate information to the Department in reports and submissions to the Department.

20. Because it provided inaccurate information to the Department, The Money Store is in violation of section 6139(a)(1).

#### Authority of the Department

21. The Mortgage Licensing Act grants the Department broad authority to issue orders as may be necessary for the proper conduct of the mortgage loan business and enforcement of the Mortgage Licensing Act. 7 Pa. C.S. §6138(a)(4)

22. The Mortgage Licensing Act permits the Department to suspend, revoke or refuse to renew a license of a licensee where that licensee is a mortgage broker and "...conducted the mortgage loan business through an unlicensed mortgage originator." 7 Pa. C.S. § 6139(a)(14).

23. Section 6140(b) of the Mortgage Licensing Act provides, in relevant part, that "[a] person licensed under this chapter or director, officer, owner, partner, employee or agent of a licensee who violates a provision of this chapter or who commits any action which would subject the licensee to suspension, revocation or nonrenewal under section 6139 may be fined by the department up to \$10,000 for each offense." 7 Pa. C.S. § 6140(b).

#### **RELIEF**

24. Fine. The Money Store agrees to pay a fine of fifty-five thousand dollars (\$55,000). The fine will be payable in eleven (11) payments. The first payment of \$20,000 will be due within thirty (30) days of the Effective Date of the Order as defined in paragraph 31 below. The remaining ten (10) payments of three thousand five hundred dollars (\$3,500) shall be due every thirty (30) days thereafter until paid in full. The fine payment shall be remitted by certified check or money order made payable to the "Department of Banking and Securities" and sent to the attention of: Department of Banking and Securities, Compliance Office, 17 N. 2nd Street, Suite 1300, Harrisburg, PA 17101-2290.

25. Corrective Action. Upon the Effective Date of this Order, The Money Store shall:

a. Refrain from conducting the mortgage loan business through unlicensed mortgage originators.

b. Adhere to all terms of consent agreements entered into with the Department.

c. Provide accurate information on all reports and submissions filed with the Department.

#### **FURTHER PROVISIONS**

26. Consent. The Money Store hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the Mortgage Licensing

Act and agrees that it understands all of the terms and conditions contained herein. The Money Store, 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.

27. 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).

28. 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 Store.

29. Binding Nature. The Department, The Money Store, and all officers, owners, directors, employees, heirs and assigns of The Money Store intend to be and are legally bound by the terms of this Order.

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

31. Effectiveness. The Money Store hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes this Order ("Effective Date").

32. 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 Store in the future regarding all matters not resolved by this Order.

b. The Money Store 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.

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

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

35. 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 Department of Banking and Securities, Compliance Office and MLD Mortgage, Inc. d/b/a The Money Store intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF BANKING AND SECURITIES, COMPLIANCE OFFICE

FOR MLD MORTGAGE, INC. d/b/a THE MONEY STORE

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Ryan Walsh, Director  
Compliance Office  
Department of Banking and Securities

(Officer Signature)

Lawrence Jear  
(Print Officer Name)

Date: January 7, 2016

President  
(Title)

Date: 1/6/15