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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :
DEPARTMENT OF BANKING AND :
SECURITIES, COMPLIANCE OFFICE :

v. :

DOCKET NO. 170036 (BNK-C&D)

MPOWER FINANCING, PUBLIC :
BENEFIT CORPORATION :

CONSENT AGREEMENT AND ORDER

On June 27, 2017, the Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”) and its Compliance Office, filed an administrative enforcement action against MPower Financing, Public Benefit Corporation (“MPower”), as a result of MPower’s late filing of an annual report that is required for all licensees under the Consumer Discount Company Act (“CDCA”), 7 P.S. § 6201, et seq. MPower answered the enforcement action in a timely manner.

The parties now seek to amicably resolve the pending action to save the time and resources that continuing litigation would expend. MPower acknowledges that the CDCA requires the Department to impose a mandatory fine of ten dollars (\$10.00) for every day that the annual report is late, and that the Department is required to fine all licensees that file late (even if, as MPower asserts, the lateness was due to extenuating circumstances), and does so in all instances. Accordingly, the parties stipulate that the following statements are true and correct and, intending to be legally bound, agree to the terms of this Consent Agreement and Order (“Order”).

BACKGROUND

1. The Department administers and enforces the CDCA.
2. The Department has delegated to its Compliance Office many of its responsibilities for enforcing these statutes.
3. MPower's principal place of business is 1875 Connecticut Ave., NW, 10th Fl., Washington, DC 20009.
4. On June 2, 2016, MPower was initially licensed by the Department under the CDCA, license number 56739.
5. Licensees under the CDCA are required to file an annual report with the Department, giving information concerning the business and operations during the previous calendar year. 7 P.S. § 6210.
6. The CDCA provides that a licensee that fails to file an annual report within the specified time frame "*shall* pay to the Department a penalty of ten dollars (\$10) for each calendar day the report is overdue." 7 P.S. § 6120 (emphasis added).

VIOLATION

7. The 2016 annual report of MPower was due in March 2017.
8. The Department sent MPower two emails prior to the March 2017 deadline, reminding MPower of its report obligation.
9. Due to an administrative oversight, MPower did not recognize until a late stage that it had the obligation to file its 2016 report in March 2017.
10. On or around April 18, 2017, MPower submitted the report to the Department.

11. MPower failed to file the required report on time, and therefore was in violation of the CDCA at 7 P.S. § 6120, which required the Department to impose a fine of ten dollars (\$10.00) for each day that the report was late.

RELIEF

12. Fine. MPower shall pay the Department a fine in the amount of \$170.00 for MPower's violation of the CDCA.

13. Administrative Costs. Immediately upon execution of this Order, MPower shall pay the Department the sum of \$2,000 to defray the reasonable costs that the Compliance Office incurred in commencing the administrative enforcement action. The payment shall be sent to the Department of Banking and Securities, Compliance Office, 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

14. Future Licensing. Having surrendered its CDCA license on May 23, 2017, MPower agrees not to apply for a new license under the CDCA for a period of one (1) year from the date of the Compliance Office's execution of this Order.

FURTHER PROVISIONS

15. Consent. MPower knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the CDCA and waives any right to a hearing concerning the terms, conditions and/or penalties set forth in this Order.

16. Amicable Resolution. Upon final execution of this Order by both parties and payment of the fine by MPower, the Compliance Office will discontinue the administrative action that is currently pending at Docket No. 170036 (BNK-C&D).

17. Publication and Release. The Department will publish this Order pursuant to its authority under Section 302.A(5) of the Department of Banking and Securities 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.

19. Amendment. This Order may be amended solely by written agreement of the Compliance Office and MPower.

20. Binding Nature. The Department and its Compliance Office and MPower intend to be and are legally bound by the terms of this Order. Additionally, MPower agrees that the Order is not binding upon any other agency, department or office besides the Department and its Compliance Office regarding the subject matter of the Order.

21. Counsel. MPower entered into this Order with full opportunity for advice from legal counsel.

22. Effectiveness. MPower hereby stipulates and agrees that the Order shall become effective on the date that the Compliance Office executes it.

23. Subsequent Enforcement Action. The Compliance Office reserves all of the rights, duties, and authority to enforce against MPower all statutes, rules and regulations under the Department's jurisdiction in the future regarding all matters not resolved by this Order.

24. Authorization. The individuals executing this Order are authorized to do so and to legally bind their respective parties.

25. Counterparts. The parties may execute the Order in separate counterparts, by facsimile, or by PDF.

26. Titles. The titles used to identify the paragraphs of the Order are for the convenience of reference only and do not control the interpretation of the Order.

WHEREFORE, in consideration of the foregoing, the Commonwealth of Pennsylvania, Department of Banking and Securities, Compliance Office and MPower do hereby execute this Consent Agreement and Order.

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

**FOR MPOWER FINANCING, PUBLIC
BENEFIT CORPORATION**

Redacted

Redacted

James Keiser, Chief
Department of Banking and Securities
Compliance Office

(Officer Signature)

Terence Chu

(Print Officer Name)

Date: October 4, 2017

General Counsel

(Title)

Date: September 30, 2017

