

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

2017 OCT -5 AM 9:00

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, COMPLIANCE OFFICE

v.

RIVERSIDE MORTGAGE GROUP, LLC

Docket No. : 17 0063 (BNK-ORD)

NOTICE OF RIGHT TO APPEAL AND HEARING

You have the right to appeal the attached Order within **10 days** of the date of service 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 you appeal the Order, you also have a right to a hearing. **If the Docket Clerk does not receive your petition within 10 days of service of the Order, 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 N. Second Street.
Suite 1300
Harrisburg, PA 17101

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

John Chiappetta
Assistant Counsel
Department of Banking and Securities
17 N. 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 Pennsylvania Department of Banking and

Securities 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.

The hearing and 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.

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ORDER

The Commonwealth of Pennsylvania, Department of Banking and Securities (“Department”), pursuant to the authority granted to it by the Mortgage Licensing Act (“MLA”), 7 Pa. C.S. 6101, hereby issues the following order to Riverside Mortgage Group, LLC (“Riverside”), and in support thereof states the following:

BACKGROUND

1. The Department of Banking and Securities (“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 Compliance Office (“Compliance”) is primarily responsible for administering and enforcing the MLA for the Department.

3. Riverside is a Delaware limited liability company with a principal place of business at 19 Brook Lane, Chadds Ford, PA 19317.

4. Riverside is currently licensed as a Mortgage Broker, license no. 61788, Nationwide Mortgage Licensing System & Registry (“NMLS”) unique identifier 141473.

5. The MLA sets forth “Licensee requirements” for mortgage licensees at 7 Pa. C.S. § 6135

6 The MLA states in pertinent part therein as follows: “A mortgage broker, mortgage lender or mortgage loan correspondent, or a mortgage originator that is required to obtain and maintain its own bond coverage under section 6131(f)(4) (relating to application for license), on a date determined by the department, shall file periodically, as determined by the department, a report with the department or the Nationwide Mortgage Licensing System and Registry, as determined by the department, setting forth such information as the department shall require concerning the first or secondary mortgage loan business conducted by the licensee. Licensees who fail to file the required report at the date required by the department may be subject to a penalty of \$100 for each day after the due date until the report is filed.” 7 Pa. C S § 6135(a)(3)

7. The Department determined that each mortgage licensee was required to complete a Mortgage Call Report (“MCR”) for the second quarter of 2017 through the National Mortgage Licensing System and Registry (“NMLS”) by August 14, 2017.

8. Riverside did not complete its MCR for the second quarter of 2017 by the deadline of August 14, 2017

9 By email dated August 16, 2017, Compliance notified Riverside that its MCR was past due and that it may incur a penalty

10 By letter dated August 25, 2017, Compliance notified Riverside that the MCR had still not been received and that it may incur a penalty.

11 On August 29, 2017, Compliance contacted Riverside via telephone and left a message informing Riverside that its MCR was still outstanding and that if it was not received by September 14, 2017, a fine would be issued

12 On September 5, 2017, Compliance contacted Riverside via telephone and spoke with a representative of Riverside who informed Compliance that the MCR would be completed by the following day but, to date, no MCR has been received by the Department.

VIOLATION

13 By not filing the MCR when it was due, Riverside violated the MLA at 7 Pa. C S § 6135(a)(3)

AUTHORITY

14. The Department has the authority to issue orders to enforce the MLA. 7 Pa. C.S § 6138(a)(4).

15. Section 6135(a)(3) of the MLA authorizes the Department to impose a fine of up to \$100 for each day after the due date until the MCR is filed

AND NOW THEREFORE, because Riverside has failed to file the MCR for the second quarter of 2017, the Department, pursuant to the authority referenced above, hereby issues the following Order:

16 Pursuant to the Department's authority in 7 Pa. C.S. § 6135(a)(3) of the MLA, Riverside is hereby fined \$500 (five hundred dollars), which is payable within 30 days of the date of this order.

17. An "Agency Fee Invoice" has been created in NMLS for this penalty Payment shall be remitted through NMLS by either ACH or credit card.

18 Riverside is ordered to complete the 2017 second quarter MCR immediately

19 Failure to pay the fine within 30 days and file the MCR may result in additional enforcement action, including, but not limited to, the suspension, revocation or refusal to renew Riverside's mortgage broker license.

20. Nothing in this Order shall prevent the Compliance Office from taking any further administrative action as deemed necessary.

IT IS SO ORDERED.

Redacted

James Keiser, Chief
Compliance Office
Department of Banking and Securities



October 5, 2017
(Date)

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DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
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	:
RIVERSIDE MORTGAGE GROUP, LLC :	:
	:

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

Riverside Mortgage Group, LLC
19 Brook Lane
Chadds Ford, PA 19317

Dated this 5th day of October, 2017.

Redacted

Zachary Monnier, Legal Assistant
Office of Chief Counsel
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
Market Square Plaza
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471