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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES PA DEPARTMENT OF BANKING AND SECURITIES

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

v.

DOCKET NO. 18 0106 (BNK-CAO)

NEW LEAF FINANCIAL LLC

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 New Leaf Financial LLC ("New Leaf"), and its officers, employees and directors. Based on the results of its review, together with certain disclosures New Leaf has made to the Department, the Office believes that New Leaf operated in violation of the Debt Settlement Services Act, ("DSSA"), 63 P.S. § 2501 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 DSSA.
2. The Compliance Office is primarily responsible for administering and enforcing the DSSA for the Department.
3. New Leaf's principal place of business is located at 1712 Pioneer Ave Cheyenne, WY 82001.

Unlicensed Period

4. The DSSA became effective on January 1, 2015.

5. The DSSA requires anyone marketing, soliciting, offering to provide or providing debt settlement services for a fee or other consideration to an individual residing in Pennsylvania at the time of the agreement to be licensed. 63 P.S. § 2521.

6. New Leaf is not, and never has been, licensed under the DSSA.

7. New Leaf has been providing debt settlement services to Pennsylvania consumers since January 2015.

8. New Leaf had ceased accepting new clients when it learned of the licensing requirements but has continued to serve its existing clients complimentary.

#### Authority of the Department

9. The DSSA grants the Department the authority to issue orders as may be necessary for enforcement. 63 P.S. § 2571(4).

10. The Department may “impose a civil penalty of up to \$10,000 for each violation of this act.” 63 P.S. § 2574(a).

#### **VIOLATION**

11. New Leaf violated the DSSA when it engaged in the business of a debt settlement services company while unlicensed. 63 P.S. § 2521.

#### **RELIEF**

12. Fine. New Leaf agrees to pay a fine of thirty-one thousand seven hundred fifty dollars (\$31,750) due within thirty (30) days of the Effective Date of the Order as defined in paragraph 21. The fine payment shall be made by ACH or wire transfer or, if ACH or wire transfer is unavailable, by certified check, cashier's check, teller's 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.

13. Corrective Action. Upon the Effective Date of this Order, New Leaf shall not collect any fees or consideration from Pennsylvania clients until and unless it is licensed as a debt settlement services

company in Pennsylvania. New Leaf shall not contract with or enroll any new Pennsylvania clients until and unless it is licensed as a debt settlement services company in Pennsylvania.

14. New Leaf shall refund all fees and considerations in the amount of seventy thousand three hundred eighty-six dollars and thirteen cents (\$70,386.13) to all Pennsylvania clients within 30 days of the Effective Date of this Order. New Leaf shall provide to the Department confirmation all fees have been refunded to Pennsylvania clients.

#### **FURTHER PROVISIONS**

15. Consent. New Leaf hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the DSSA and agrees that it understands all of the terms and conditions contained herein. New Leaf, 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. Consumer's Rights. The Order shall not limit or impair a consumer's rights under the DSSA.

17. Publication. The Department will publish this Order pursuant to its authority in 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 kinds whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and New Leaf.

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

20. Counsel. This Order is subject to review by the Department's Legal Division. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

21. Effectiveness. New Leaf hereby stipulates and agrees that the Order shall become effective on the date that the Department's Legal Division docket and executes this Order ("Effective Date").

22. 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 New Leaf in the future regarding all matters not resolved by this Order.
- b. New Leaf 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.

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

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

25. 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 New Leaf Financial LLC 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**

Redacted

Janés Keiser, Chief  
Compliance Office  
Department of Banking and Securities

Date: December 4, 2018

**FOR NEW LEAF FINANCIAL LLC**

Redacted

\_\_\_\_\_  
(Officer Signature)

John Ross  
\_\_\_\_\_  
(Print Officer Name)

President  
\_\_\_\_\_  
(Title)

Date: 11/27/18

