

FILED

COMMONWEALTH OF PENNSYLVANIA 2019 MAY -1 AM 9:00  
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES, COMPLIANCE OFFICE

v.

Docket No. 19 0053 (BNK-CAO)

UNITED PREMIER FUNDING, 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 United Premier Funding, LLC (“UPF”). Based on the results of its review, the Office concludes that UPF operated in violation of the Mortgage Licensing Act (MLA), 7 Pa. C.S. § 6101 *et seq.* The parties to the above-captioned matter, in lieu of litigation, 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 Mortgage Licensing Act.
2. The Office is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department.
3. UPF is licensed as Mortgage Loan Correspondent 60353 effective on February 22, 2017.
4. UPF is licensed through the Nationwide Mortgage Licensing System, (“NMLS”) as NMLS Entity ID 821194.
5. UPF’s Principal place of business is located at 2645 N. Berkeley Lake Road, Building F, Suite 138-139, Duluth, GA 30096.

6. During the Department's review of UPF's 2018 year-end financial statements, it was brought to the Department's attention that UPF has been funding loans through a warehouse line of credit.

7. Section 6102 of the Mortgage Licensing Act provides the definition of a Mortgage Loan Correspondent:

"Mortgage Loan Correspondent." A person who engages in the mortgage loan business by directly or indirectly originating and closing mortgage loans in his or her own name utilizing funds provided by a wholesale table funder or other funding sources under the circumstances described under section 6123(a)(6) (relating to mortgage loan business prohibitions) and simultaneously assigning the mortgage loans to the wholesale table funder..” See 7 Pa. C.S. § 6102.

8. Section 6123(a) of the Mortgage Licensing Act provides in pertinent part, that a licensee engaging in the mortgage loan business shall not:

“(6) In the case of a mortgage loan correspondent, service mortgage loans or close mortgage loans utilizing funding other than a wholesale table funder, except in an emergency circumstance where wholesale table funding is not available.” See 7 Pa. C.S. § 6123(a).

#### **VIOLATION**

9. Mortgage Loan Correspondent licensees operating under the provisions of the Mortgage Licensing Act are required to receive loan proceeds directly from an investor and are not permitted to fund loans through a warehouse line of credit. 7 Pa. C.S. § 6102.

10. By funding loans through a warehouse line of credit during a period when it was licensed as a Mortgage Loan Correspondent, UPF was in violation of Section 6123(a) of the Mortgage Licensing Act.

Authority of the Department

11. Section 6138(4) of the Mortgage Licensing Act authorizes the Department to issue orders as may be necessary for the enforcement of the Mortgage Licensing Act.

12. Section 6140(b) of the Mortgage Licensing Act authorizes the Department to issue a fine of up to \$10,000 per offense against a person who is in violation of the Mortgage Licensing Act.

**RELIEF**

13. Fine. UPF agrees to pay a fine of three thousand one hundred twenty-five dollars (\$3,125). Payment of the fine is due within thirty (30) days of the Effective Date of the Order. Payment shall be made by ACH or wire transfer, or if ACH or wire transfer is unavailable 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.

14. Corrective Action. UPF shall not fund loans using funds other than funds from the investor who will be purchasing the loans.

**FURTHER PROVISIONS**

15. Consent. UPF hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Compliance Office's order authority under the Mortgage Licensing Act and agrees that he understands all of the terms and conditions contained herein. UPF, 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. This Order shall not limit or impair a consumer's rights under the Loan Interest and Protection Law.

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 kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Compliance Office and UPF.

19. Binding Nature. The Department and UPF 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 but final once signed by all parties. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

21. Effectiveness. UPF hereby stipulates and agrees that the Order shall become effective on the date that the Department's Legal Division docket 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 UPF in the future regarding all matters not resolved by this Order.
- b. UPF 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 Commonwealth of Pennsylvania, Department of Banking and Securities, Compliance Office and United Premier Funding, LLC intending to be legally bound do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF  
PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES**

Redacted

James Keiser, Chief  
Compliance Officer

Date: April 26, 2019

**FOR UNITED PREMIER FUNDING,  
LLC**

Redacted

(Officer Signature)

Chun Kit Lee

(Print Officer Name)

President

(Title)

Date: 04/25/2019

