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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. 19 0022 (BNK-CAO)

DMB FINANCIAL LLC :
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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 DMB Financial LLC (“DMB”). Based on the results of its review, together with certain disclosures DMB has made to the Department, the Office believes that DMB operated in violation of the Debt Settlement Services Act, (“DSSA”), 63 P.S. § 2501 *et seq.* Based on that information, the Office filed a Cease and Desist Order against DMB on March 29, 2019, in the above-captioned matter (“C&D Order”). The parties now seek to amicably resolve the pending litigation to save the time and resources that continued litigation would require. Accordingly, the parties to the above captioned matter stipulate that the following statements are true and correct in the settlement of the above-captioned matter, and intending to be legally bound, 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 Office is primarily responsible for administering and enforcing the DSSA for the Department.

3. DMB's principal place of business is located at 500 Cummings Center Suite 3800 Beverly, MA 01915.

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. DMB is not, and never has been, licensed under the DSSA.

7. DMB has been providing debt settlement services to Pennsylvania consumers while not licensed to do so.

8. DMB ceased accepting new clients when it learned of the licensing requirements

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).

11. The Department has the authority to "[o]rder a person...to make restitution for actual damages to consumers caused by a violation of this act or to refund fees collected in violation of this act" 63 P.S. § 2571(6).

VIOLATION

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

RELIEF

13. Civil Penalty. DMB agrees to pay a civil penalty of one hundred twenty-two thousand five hundred dollars (\$122,500) in two (2) monthly installment payments each of sixty-one thousand two hundred fifty dollars (\$61,250). The first installment payment is due no later than March 1, 2020, and the second due no later than April 1, 2020. The installment payments 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 attention of Department of Banking and Securities, Compliance Office, 17 N Second Street, Suite 1300, Harrisburg, PA 17101-2290.

14. Corrective Action. Upon the Effective Date of this Order, DMB shall not perform debt settlement services for a fee in Pennsylvania unless it is licensed to do so.

15. DMB may continue to service its Pennsylvania clients under a debt settlement program as long as the company does not charge any fees for doing so.

16. Restitution. DMB shall refund all fees and considerations in the amount of \$831,957.23 to all Pennsylvania clients in ten (10) monthly installments with the first installment being made no later than May 10, 2019. Each succeeding installment will be due no later than the 10th day of each month thereafter, ending with the tenth and final installment amount due no later than February 10, 2020. DMB will refund all fees and considerations in substantially equal monthly installments. The refunds will be made in accordance with the spreadsheet (DMB Restitution Attachment 1) that the Department provided DMB and made part of this agreement consistent with the fees collected from each Pennsylvania consumer. This applies to all Pennsylvania debt settlement agreements entered into by DMB with Pennsylvania clients on or after January 1, 2015. The refunds may be accomplished by crediting the refunds to the clients' settlement accounts. DMB shall provide to the

Department confirmation of fees refunded every month until all fees have been refunded to Pennsylvania clients.

FURTHER PROVISIONS

17. Consent. DMB 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. DMB, 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.

18. Consumer's Rights. The Order shall not limit or impair a consumer's rights under the DSSA.

19. 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)

20. Cease and Desist Order. Upon signing of this Order by the Office, and payment in full of the civil penalty and restitution as set forth above, the Office shall discontinue the C&D Order.

21. Entire Agreement. This Order contains the whole agreement between the Office and DMB. 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 of the Office and DMB.

22. Binding Nature. The Office and DMB, and all officers, owners, directors, employees, heirs and assigns of DMB, intend to be and are legally bound by the terms of this Order.

23. 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 advice from legal counsel.

24. Effectiveness. The Office and DMB agree that the Order shall become effective on the date that the Department's Legal Division docket it. ("Effective Date")

25. 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 DMB in the future regarding all matters not resolved by this Order
- b. DMB acknowledges and agrees that, in addition to itself, this Order is binding only upon the Department and the Office and not any other local, state or federal agency, department or office regarding matters within this Order

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


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

28. 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, the Department of Banking and Securities, Compliance Office, and DMB 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


James Keiser, Chief
Compliance Office
Department of Banking and Securities

Date: May 8, 2019

FOR DMB FINANCIAL LLC

Redacted


(Officer Signature)

Daniel Kwik
(Print Officer Name)

COO
(Title)

Date: 5/6/19

