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2019 MAY 10 AM 9:38

PA DEPARTMENT OF BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

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

v.

DOCKET NO. 19 0063 (BNK-CAO)

TOTAL FINANCIAL FREEDOM 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 Total Financial Freedom ("TFF"), and its officers, employees and directors. Based on the results of its review, together with certain disclosures TFF has made to the Department, the Office believes that TFF 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 of Banking and Securities ("Department") is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the DSSA, 63 P.S. § 2501 *et seq.*

2. The Office has the primary responsibility to administer and enforce the DSSA on behalf of the Department.

3. TFF is a Massachusetts limited liability company with a principal place of business located at 13 Pauline Street Suite C, Winthrop, MA 02152.

**Unlicensed Period**

4. The DSSA became effective 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 who residing in Pennsylvania at the time of the agreement to be licensed. 63 P.S. § 2521.

6. TFF has not and never has been licensed under the DSSA.

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

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

9. TFF cooperated with the Department regarding the matters addressed in this Order.

**Authority of the Department**

10. The DSSA authorizes the Department to issue orders as may be necessary for its enforcement. 63 P.S. § 2571(4).

11. The Department may impose a civil penalty of up to \$10,000 for each violation of the Act. 63 P.S. § 2574(a).

12. The Department may order the refund of fees collected in violation of the DSSA. 63 P.S. § 2571(6).

## VIOLATION

13. TFF violated the DSSA when it engaged in the business of a debt settlement services company while unlicensed. 63 P.S. § 2521(a).

## RELIEF

14. Fine. TFF agrees to pay a fine of \$25,625. The fine payments shall be remitted 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 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101. The payment of the fines are due in two (2) monthly installments in the amount of 12,812.50 on or before April 15, 2020, and on or before May 15, 2020.

15. Corrective Action. Upon the effective date of this Order, TFF, shall not perform debt settlement services for a fee in Pennsylvania unless it is licensed to do so.

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

17. TFF shall refund all fees and considerations in the amount of \$38,317.87 to all Pennsylvania clients in ten (10) monthly refunds. Nine (9) monthly refunds of \$3,831.78 are due on or before the 15<sup>th</sup> day of each month, beginning on June 15, 2019, and ending on or before February 15, 2020. The final refund of \$3,831.85 shall be made on or before March 15, 2020. The refunds may be accomplished by crediting the refunds to the clients' settlement accounts or by mailing each client a check for the full refund. TFF shall provide the Department with confirmation of fees refunded every month until all fees have been refunded to Pennsylvania clients.

## FURTHER PROVISIONS

18. Consent. TFF hereby knowingly, willingly, voluntarily, and irrevocably consents to the entry of this Order pursuant to the Department's authority under the DSSA and agrees that it understands all of the terms and conditions contained herein. TFF, 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.

19. Consumer's Rights. This Order shall not limit or impair any consumer's rights under the DSSA.

20. 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).

21. Entire Agreement. This Order contains the entire agreement between the Department and TFF. 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 Department and TFF.

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

23. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

24. Effectiveness. TFF hereby stipulates and agrees that the Order shall become effective on the date the Department executes the Order ("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 TFF in the future regarding all matters not resolved by this Order.

(b) TFF 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.

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

27. Counterparts. This Order may be executed in separate counterparts, by facsimile and/or by 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, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Compliance Office and Total Financial Freedom, 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

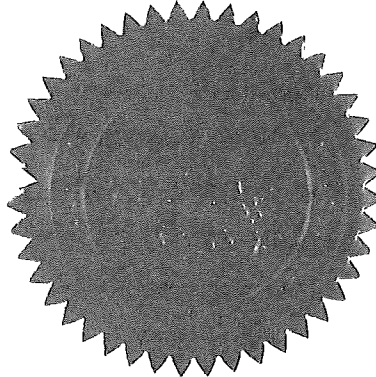
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John Talalai, Administrator

Compliance Office

Department of Banking and Securities

Date: 5/10/2019



TOTAL FINANCIAL FREEDOM

Redacted

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

Joseph A. Beard

(Print Officer Name)

CEO

(Title)

Date: 7/9/2019