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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 0075 (BNK-CAO)

WESTSTAR MORTGAGE :
CORPORATION :

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 Weststar Mortgage Corporation (“Weststar Mortgage”). Based on the results of its review, together with certain disclosures Weststar Mortgage has made to the Department, the Office believes that Weststar Mortgage operated in violation of the Mortgage Licensing Act (the “MLA”), 7 Pa. C.S. § 6101 *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 MLA.
2. The Office is primarily responsible for administering and enforcing the MLA for the Department.
3. Weststar Mortgage’s principal place of business is located at 2155 Louisiana Blvd NE, Ste 8000 (Attn: Licensing), Albuquerque, NM 87110.
4. Weststar has applied for licensure as a Mortgage Servicer.

Unlicensed Period

5. Section 6111(a) of the MLA requires a person engaged in the mortgage loan business as a

mortgage servicer to be licensed as a mortgage servicer. 7 Pa. C.S. § 6111(a)

6. On or around January 29, 2016 Weststar Mortgage contacted the Department to inquire if there was a licensing requirement for servicing Pennsylvania mortgage loans and was apprised there was not a requirement.

7. Act 81 of 2017, which included the requirement that a mortgage servicer be licensed, was signed into law on December 22, 2017.

8. The Department began accepting applications for licensure for existing mortgage servicers beginning on April 1, 2018.

9. The mortgage servicer licensing requirement found in Section 6111(a) of the MLA became effective April 27, 2018.

10. The Department provided an administrative grace period allowing unlicensed persons until June 30, 2018 to apply for a license without penalty for unlicensed activity.

11. Weststar Mortgage's internal audit revealed it was servicing a small number of Pennsylvania mortgage loans.

12. Weststar Mortgage filed its application for licensure as a mortgage servicer on July 12, 2019.

13. The MLA defines a "Mortgage Servicer" as "A person who engages in the mortgage loan business by directly or indirectly servicing a mortgage loan." 7 Pa. C.S. § 6102.

14. Weststar Mortgage has been providing mortgage servicing to Pennsylvania consumers while not licensed to do so.

15. Weststar Mortgage cooperated with the Department regarding the matters addressed in this Order.

Authority of the Department

16. The Department has the authority to issue orders as may be necessary for the proper conduct of the mortgage loan business by licensees and the enforcement of the MLA. 7 Pa. C.S. § 6138(a)(4).

17. The Department may fine a person that commits any action which would subject the licensee to suspension, revocation or nonrenewal under Section 6139 up to \$10,000 per offense. 7 Pa. C.S. § 6140(b).

VIOLATION

18. Weststar Mortgage violated the MLA when it engaged in the business of a mortgage servicer while not licensed as a mortgage servicer. 7 Pa. C.S. § 6111(a).

RELIEF

19. Fine. Weststar Mortgage agrees to pay a fine of four thousand dollars (\$4,000) with the payment due within thirty (30) days of the Effective Date of the Order. 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 attention of: Department of Banking and Securities, Compliance Office, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101-2290.

20. Licensure. Within five (5) days of the Effective Date of this order, the Department will issue a Mortgage Servicer license to Weststar Mortgage.

FURTHER PROVISIONS

21. Consent. Weststar Mortgage hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the MLA and agrees that it understands all of the terms and conditions contained herein. Weststar Mortgage, 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.

22. Consumer's Rights. This Order shall not limit or impair a consumer's rights under the MLA.

23. 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).

24. 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 Office and Weststar Mortgage.

25. Binding Nature. The Department, Weststar Mortgage, and all officers, owners, directors,

employees, heirs and assigns of Weststar Mortgage intend to be and are legally bound by the terms of this Order.

26. 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.

27. Effectiveness. Weststar Mortgage hereby stipulates and agrees that the Order shall become effective on the date that the Department's Legal Division docket this Order ("Effective Date").

28. 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 Weststar Mortgage in the future regarding all matters not resolved by this Order.

b. Weststar Mortgage 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.

29. Authorization. The parties below are authorized to execute this order and legally bind their respective parties.

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

31. 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 Weststar Mortgage Corporation 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**

**FOR WESTSTAR MORTGAGE
CORPORATION**

Redacted

Redacted

James Keiser, Chief
Compliance Office
Department of Banking and Securities

(Officer Signature)

Lisa Lariviere

(Print Officer Name)

Vice President

(Title)

Date: August 1, 2019

Date: 8/1/19

