

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

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

v. :

DOCKET NO. 19 6077 (BNK-CAO)

KASH MORTGAGE GROUP, INC. :

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 Kash Mortgage Group, Inc. (“Kash”). Based on the results of its review, the Office concludes that Kash 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, 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. Kash is licensed as Mortgage Lender 48884 effective on November 21, 2014.
4. Kash is licensed through the Nationwide Mortgage Licensing System and Registry (“NMLS”) as NMLS Entity ID 135952.
5. Kash’s principal place of business is located at 5000 Stonewood Drive, Suite 230, Wexford, PA 15090.
6. Financial statements are required to be filed in NMLS annually, within 90 days of a licensee’s Fiscal Year End as reported in the Company (MU1) Form in NMLS.

7. Between January 3, 2019 and January 29, 2019, Kash uploaded financial statements for year-end 2016, 2017 and 2018.

8. A review of Kash's year-end financial statements revealed that Kash's net worth had declined to less than \$250,000.

9. Section 6131 of the Mortgage Licensing Act provides that:

“A Mortgage Lender must establish a minimum net worth of \$250,000 at the time of application and will, at all times, thereafter, maintain the minimum net worth.”

See 7 Pa. C.S. § 6131(c)(3).

VIOLATION

10. Mortgage Lender licensees operating under the provisions of the MLA are required to maintain a minimum net worth of two hundred fifty thousand dollars (\$250,000). 7 Pa. C.S. § 6131(c)(3).

11. By having net worth of less than \$250,000 during a period when it was licensed as a Mortgage Lender, Kash was in violation of Section 6131 of the MLA.

Authority of the Department

12. 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.

13. 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 or who commits any action which would subject the licensee to suspension, revocation or nonrenewal.

RELIEF

14. Fine. Kash agrees to pay a fine of five thousand dollars (\$5,000). 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. Second Street, Suite 1300, Harrisburg, PA 17101-2290.

15. Corrective Action.

- a. Kash shall maintain a minimum net worth of \$250,000 for the entire duration of its Mortgage Lender license.
- b. Kash shall timely complete and accurately file all reports with the Department or the Nationwide Mortgage Licensing System and Registry as required concerning the mortgage loan business conducted by Kash.

FURTHER PROVISIONS

16. Consent. Kash 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 it understands all of the terms and conditions contained herein. Kash, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, condition and/or penalties set forth in this Order.

17. Consumers' Rights. This Order shall not limit or impair a consumer's rights under the Loan Interest and Protection Law.

18. 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).

19. 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 Kash.

20. Binding Nature. The Department and Kash intend to be and are legally bound by the terms of this Order.

21. 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.

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

23. Other Enforcement Action.

- c. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against Kash in the future regarding all matters not resolved by this Order.
- d. Kash 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.

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

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

26. 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 Kash Mortgage Group, Inc. intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

FOR KASH MORTGAGE GROUP, INC.

Redacted

James Keiser, Chief
Compliance Officer

Redacted

(Officer Signature)

Kurt David ALBERTS
(Print Officer Name)

Date: September 4, 2019

President

(Title)

Date: 8/30/2019

