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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. 20 0052 (BNK-CAO)

GINNS BOND AND MORTGAGE COMPANY :  
:

**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 Ginns Bond and Mortgage Company (“Ginns”). Based on the results of its review, together with certain disclosures Ginns has made to the Department, the Office believes that Ginns 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. Ginns’ principal place of business is located at 1461 Bethlehem Pike, Flourtown, PA 19031.
4. Ginns is not, and has not been, licensed under the MLA.
5. The MLA defines:
  - (a) "Mortgage loan business" as “The business of: (1) advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans; or (2) servicing mortgage loans.”

(b) "Service mortgage loan" as "A collecting or remitting payment or the right to collect or remit payments of principal, interest, tax, insurance or other payment under a mortgage loan."

(c) "Mortgage loan." as "A first or secondary mortgage loan, or both, a lease-purchase agreement or a mortgage loan modification, as the context may require."

(d) "First mortgage loan." as "A loan which is: (1) made primarily for personal, family or household use; and (2) secured by any first lien mortgage, deed of trust or equivalent consensual security interest on a dwelling or on residential real estate." 7 Pa. C S. § 6102.

6. A person engaged in the mortgage loan business is required to be licensed under the MLA. 7 Pa. C S. § 6111(a).

7 The current owners of Ginns (the "Current Owners") inherited the business after the deaths of the former owners and are principally engaged in professional activities unrelated to the mortgage loan business. Insofar as Ginns engaged in the mortgage loan business, it was only to service mortgage loans in Ginns' existing portfolio. The Current Owners stated they were unaware of the mortgage licensing requirements until the Department brought those requirements to Ginns' attention and that any violation was unintentional. The Department has no reason to question these statements.

#### Violation

8 Ginns serviced mortgage loans, when it was not licensed to do so

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

#### Authority of the Department

10. 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)

11. The Department may fine a person, whether licensed or subject to the provisions of this chapter and not licensed, who violates the act or commits any action which would subject the license to

suspension, revocation or nonrenewal under Section 6139 up to \$10,000 per offense 7 Pa. C S § 6140(a) and (b)

### **VIOLATION**

12. The Department alleges that Ginns violated the MLA when it engaged in the mortgage loan business while not licensed to do so 7 Pa. C.S. § 6111(a)

### **RELIEF**

13. Fine. Ginns agrees to pay a fine of fourteen thousand dollars (\$14,000). The fine may be made in eleven monthly installments of \$1,166 with a twelfth and final payment of \$1,174 The first installment payment shall be 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.

14. Servicing. As Ginns is not licensed as a Mortgage Servicer, Ginns will divest itself of all mortgage loans and related mortgage servicing and mortgage servicing rights within 45 days of the Effective Date of the Order. The mortgage loans and related mortgage servicing and mortgage servicing rights will be assigned to properly licensed or license-exempt entities.

### **FURTHER PROVISIONS**

15. Consent. Ginns 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. Ginns, 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. The Order shall not limit or impair a consumer's rights under the MLA.

17. Publication. The Department will publish this Order pursuant to its authority in 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 Office and Ginns.

19. Binding Nature. The Department, Ginns, and all officers, owners, directors, employees, heirs and assigns of Ginns 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. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

21. Effectiveness. Ginns 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 Ginns in the future regarding all matters not resolved by this Order.

b. Ginns 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.

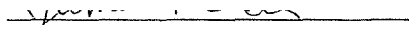
24. Counterparts This Order may be executed in separate counterparts and by facsimile or electronic format.

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 Department of Banking and Securities, Compliance Office, and Ginns, 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

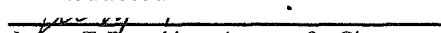
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James Keiser, Chief  
Compliance Office  
Department of Banking and Securities

Date September 24, 2020

FOR GINNS BOND AND MORTGAGE

Redacted

  
Jeremy T. Rosenblum, Attorney for Ginns

Date 9/21/20

