

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

2021 APR 26 AM 11:18

PA DEPARTMENT OF
BANKING AND SECURITIES

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| <p>COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES, COMPLIANCE OFFICE</p> <p style="text-align: center;">v.</p> <p>FINANCIAL SERVICES FOR AMERICA</p> | <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> | <p>Docket No. : 210021 (BNK-ORD)</p> |
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NOTICE OF RIGHT TO APPEAL AND HEARING

You have the right to appeal the attached Order within **14 days** of the date of the Order as provided in 7 Pa.C.S. § 6138(a)(7). To appeal the Order, you must file a petition, in writing, with the Docket Clerk as set forth below. **If the Docket Clerk does not receive your petition within 14 days, you will waive your right to a hearing and the Order will be deemed final.**

The petition must be in writing, state clearly and concisely your grounds of interest in the subject matter, the facts you rely upon, the law you rely upon, and the relief you seek as required by 1 Pa. Code § 35.17.

The petition and all other documents relating to this matter must be filed with the Docket Clerk:

Eileen Smith, Docket Clerk
Department of Banking and Securities
17 N. Second St., Ste. 1300
Harrisburg, PA 17101
RA-BNDOCKETCLERK@pa.gov

Further, you must serve a copy of the petition on the person who signed the attached Order by providing a copy to their counsel set forth below:

Office of Chief Counsel
Department of Banking and Securities
17 N. Second St., Ste. 1300
Harrisburg, PA 17101
RA-BNCHIEFCOUNSEL@pa.gov

Once you file your petition, you will be notified of pertinent information such as the name of the presiding officer designated by the Banking and Securities Commission to hear this matter

and, if a hearing is scheduled, the date, time and location of the hearing. You have the right to be represented by an attorney.

All procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa. C.S. §§ 501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.1.-35.251.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

FILED

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PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, COMPLIANCE OFFICE

v.

FINANCIAL SERVICES FOR AMERICA

Docket No. : 210021 (BNK-ORD)

ORDER

1. The Department of Banking and Securities (“Department”) is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the Mortgage Licensing Act (“MLA”), 7 Pa.C.S. § 6101 *et seq.*

2. The Compliance Office is primarily responsible for administering and enforcing the MLA for the Department.

3. Financial Services for America (“Financial Services”) has addresses at: 4 Linda Lane, Suite A, Southampton, New Jersey 08088; Redacted ; and PO Box 2046, Medford, New Jersey 08055.

4. The MLA defines “mortgage loan business,” in pertinent part, as “[t]he business of advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans.” 7 Pa.C.S. § 6102.

5. The MLA defines “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.” 7 Pa.C.S. § 6102.

BACKGROUND

6. The Department received information from the New Jersey Office of Attorney General's Division of Law stating that it filed a complaint against Financial Services and other related companies for engaging in unlicensed mortgage loan modifications.

7. Investigation by the Department confirmed that from in or about February 2015 to December 2020, Financial Services solicited or accepted at least 77 mortgage loan modification applications from at least 112 Pennsylvania consumers.

8. By soliciting, negotiating, offering or otherwise transacting mortgage loan modifications with Pennsylvania consumers, Financial Services actively engaged in and held itself out as being engaged in the "mortgage loan business" as defined in the MLA, 7 Pa.C.S. §§ 6102; 6151(1)(i).

VIOLATIONS

9. The MLA prohibits persons from engaging in the mortgage loan business in Pennsylvania without holding a mortgage broker, mortgage lender, mortgage loan correspondent or mortgage originator license. 7 Pa.C.S. § 6111(a).

10. Financial Services violated the MLA by engaging in the mortgage loan business in Pennsylvania without a license.

AUTHORITY

11. Section 6138(a)(1) of the MLA, 7 Pa.C.S. § 6138(a)(1), authorizes the Department to make investigations as necessary to administer the provisions of the MLA.

12. Section 6138(a)(4) of the MLA, 7 Pa.C.S. § 6138(a)(4), authorizes the Department to issue orders as may be necessary for the enforcement of the MLA.

13. Section 6138(a)(7) of the MLA, 7 Pa.C.S. § 6138(a)(7), authorizes the Department to issue cease and desist orders.

AND NOW THEREFORE, The Department, pursuant to its authority referenced above hereby imposes the following Order:

14. Upon the effective date of this Order, Financial Services, and any and all officers, members, managers, employees, independent contractors, agents and any related entities shall cease and desist from engaging in the mortgage loan business subject to the MLA, including, but not limited to, advertising (including website advertising), accepting applications and negotiating mortgage loans and mortgage loan modifications in Pennsylvania or to Pennsylvania consumers, unless and until such time that Financial Services is licensed by the Department pursuant to the MLA.

15. Within ten (10) days of the date of this Order, Financial Services shall provide the Compliance Office with the following:

1. Copies of all contracts which Financial Services or any related entities have entered into with Pennsylvania consumers.

2. A listing of all Pennsylvania consumers who have applied for mortgage loans or mortgage loan modifications from Financial Services or any related entities. The listing should include:

1. the name and address of the Pennsylvania consumers;
2. the date of the application;
3. the status of the application e.g., in process, loan or modification granted, application denied, application withdrawn, etc.; and

4. the amount of money paid by the Pennsylvania consumer relating to the application.

16. Financial Services shall provide the above information to John Talalai, Administrator, Compliance Office, via email at jtalalai@pa.gov within ten (10) days of the date of this Order.

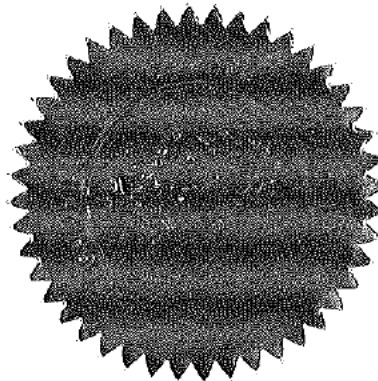
17. Financial Services shall cease advertising and accepting any new mortgage loan modification business, unless and until such time that Financial Services is licensed to do so.

18. Nothing in this Order shall prevent the Compliance Office from taking any further administrative action as deemed necessary.

IT IS SO ORDERED.

Redacted

John Talalai, Administrator
Compliance Office
Department of Banking and Securities,



04/23/2021

(Date)

FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

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| COMMONWEALTH OF PENNSYLVANIA | : | |
| DEPARTMENT OF BANKING AND | : | |
| SECURITIES, COMPLIANCE OFFICE | : | |
| | : | Docket No. : 21_0021_ (BNK-ORD) |
| v. | : | |
| | : | |
| FINANCIAL SERVICES FOR AMERICA | : | |
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST CLASS MAIL AND FACSIMILE

Financial Services for America
4 Linda Lane, Suite A
Southampton, New Jersey 08088

Financial Services for America

Redacted

Financial Services for America
PO Box 2046
Medford, New Jersey 08055

Dated 27th day of April, 2021.

Redacted

Eileen Smith
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471