

FILED

2021 JUL 19 AM 8:41

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, COMPLIANCE OFFICE	:	
	:	Docket No. : 21 0050 (BNK-ORD)
v.	:	
	:	
EQUITY FINANCING CORPORATION	:	

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 1 Pa. Code § 35.20. 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 Street, Suite 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:

Charles D. Vance, Jr.
Assistant Counsel
Department of Banking and Securities
17 N. Second St., Ste. 1300
Harrisburg, PA 17101

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.

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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, 7 Pa. C.S. § 6101 *et seq.* (“MLA”).

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

3. Equity Financing Corporation (“EFC”) is currently licensed as a mortgage broker, license no. 79397, with Nationwide Multistate Licensing System & Registry (“NMLS”) unique identifier 2085268.

4. EFC is a Pennsylvania Business Corporation.

5. EFC maintains its principal place of business at 1635 Market Street, Suite 1600, Philadelphia, PA 19103.

BACKGROUND

6. The MLA at 7 Pa. C.S. § 6135 imposes certain requirements on mortgage licensees like EFC.

7. The MLA states in pertinent part as follows: “A mortgage broker, mortgage lender or mortgage loan correspondent, or a mortgage originator that is required to obtain and maintain its own bond coverage under section 6131(f)(4) (relating to application for license), on a date determined by the department, shall file periodically, as determined by the department, a report with the department or the Nationwide Mortgage Licensing System and Registry, as determined by the department, setting forth such information as the department shall require concerning the first or secondary mortgage loan business conducted by the licensee. Licensees who fail to file the required report at the date required by the department may be subject to a penalty of \$100 for each day after the due date until the report is filed.” 7 Pa. C.S. § 6135(a)(3).

8. The Department determined that each mortgage licensee was required to complete a Mortgage Call Report (“MCR”) for the first quarter of 2021 through NMLS by May 15, 2021.

9. EFC did not complete the MCR for the first quarter of 2021 by the deadline of May 15, 2021.

10. By email dated May 17, 2021, the Compliance Office notified Martin Willard, Operations Officer of EFC that the MCR was past due and that they may incur a penalty.

11. By email dated May 24, 2021, the Compliance Office notified Mr. Willard, that the MCR was past due and that they may incur a penalty.

12. By email dated June 1, 2021, the Compliance Office notified Mr. Willard, that the MCR was past due and that they may incur a penalty.

13. Mr. Willard responded by email that he is no longer employed with EFC.

14. On June 9, 2021, the Compliance Office telephoned EFC to notify them that the MCR would need to be completed by the end of the day on June 14, 2021. There was no one available, so a voicemail was left with this information on the company's general voicemail.

15. EFC did not complete the MCR by the end of the day on June 14, 2021.

VIOLATION

16. By not filing the MCR when it was due, EFC violated the MLA at 7 Pa. C.S. § 6135(a)(3).

AUTHORITY

17. The Department has the authority to issue orders to enforce the MLA. 7 Pa. C.S. § 6138(a)(4).

18. Section 6135(a)(3) of the MLA authorizes the Department to impose a penalty of up to \$100 for each day after the due date until the MCR is filed.

AND NOW THEREFORE, because EFC failed to file the MCR for the first quarter of 2021 when due, the Compliance Office, pursuant to its authority referenced above, hereby imposes the following Order:

19. Pursuant to the Department's authority in 7 Pa. C.S. § 6135(a)(3) of the MLA, EFC is hereby fined \$500 (five hundred dollars), which is payable within 30 days of the date of this order.

20. The fine must be paid through the Department of Banking and Securities Portal ("DoBS Portal"). For instructions on how to log into the DoBS Portal, contact RA-AskCompliance@pa.gov.

21. If it has not done so already, EFC is ordered to complete the 2021 first quarter MCR immediately.

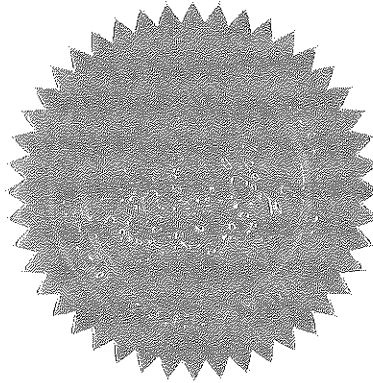
22. Failure to pay the penalty within 30 days and, if necessary, file the MCR may result in additional enforcement action, including, but not limited to, the suspension, revocation or refusal to renew EFC's license.

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

IT IS SO ORDERED.

Redacted

James Keiser, Chief
Compliance Office
Department of Banking and Securities



07/13/2021

(Date)

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EQUITY FINANCING CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing *Order* upon the party below, which constitutes the only party of record in this proceeding, in accordance with the requirements of 1 Pa. Code § 33.32:

BY CERTIFIED AND FIRST CLASS MAIL

Equity Financing Corporation
1635 Market St., Suite 1600
Philadelphia, PA 19103

Dated this 20th day of July 2021.

Redacted

Eileen Smith
Legal Office Administrator
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
17 N. Second St., Suite 1300
Harrisburg, PA 17101