



RRRev Up! at DoBS

By **Robin L. Wiessmann**, Secretary of Banking and Securities

We are actively seeking young and experienced financial professionals to join our team. Earlier this year, we rolled out a workforce development initiative called "**RRRevUp!**" -- Recruitment, Retention, and employee Recognition -- to attract quality candidates to the department. [Learn more](#)



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DoBS Launches New Video to Prevent Elder Financial Abuse

Featuring the compelling stories of victims of elder financial abuse and their families, as well as testimony from medical experts and professionals working to protect senior citizens. [Learn more](#)



Cybersecurity Spotlight on *Ransomware*

Ransomware is a form of malware, which is software designed to damage or disable computers and computer systems.

[Learn more](#)



Crowdfunding: 10 Things Investors and Businesses Need to Know

Here are ten things investors and businesses should know about crowdfunding. [Learn more](#)



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RRRevUp! at DoBS

by **Robin L. Weissmann**, Secretary

Have you ever considered working for the Department of Banking and Securities? I think you should consider this an option for yourself or those around you. After all, the department is: **1)** considered one of the finest state financial regulators in the country; **2)** nationally accredited; and **3)** doing important work to help ensure the integrity of Pennsylvania's financial marketplace.

We are actively seeking young and experienced financial professionals to join our team. Earlier this year, we rolled out a workforce development initiative called "**RRRevUp!**" -- Recruitment, Retention, and employee Recognition -- to attract quality candidates to the department. Using RRRevUp!, we will enhance our personnel "bench strength" by developing the kind of highly-skilled and professional workforce needed to meet the demands of the increasingly complex financial services industries we supervise.

A task force is working on our recruiting efforts – you may already have seen contact cards, recruitment flyers, or our staff at events. We redesigned our Careers website and expanded our offerings on LinkedIn to ensure we have a dynamic online recruiting presence. The department is also present on **Twitter** (and so am I – [here](#)) and we utilize two Facebooks ([here](#) and [here](#)).

We currently employ two college interns and have developed a small alumni army of nearly 70 current employees who are willing and able to talk about at the department with students from their colleges at job fairs and career events. Let me know if you would like one of them to come to your college, career, or corporate event.

Last winter, it was my honor and pleasure to discuss RRRevUp! with the presidents of the 14 state universities and then to meet several weeks later with students at Kutztown University to talk about the dynamism in financial services and the advantages of starting a career with the Department of Banking and Securities.

The recruitment task force is hard at work to reach every corner in Pennsylvania, tell our story to professionals interested in exciting career opportunities, and work to ensure consumers and businesses are well-informed about the financial services marketplace.

Please send me an email at dobssecretary@pa.gov with your suggestions or candidates. Thank you!

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Department Launches New Video to Prevent Elder Financial Abuse

During World Elder Abuse Awareness Day on June 15, the Department of Banking and Securities announced the availability of a video to help health care and legal professionals identify, report, and prevent elder financial abuse. The video features the compelling stories of victims of elder financial abuse and their families, as well as testimony from medical experts and professionals working to protect senior citizens.

"Older persons are often the targets of scams, and they face increasing complexity in an ever-evolving world of financial products, services, and providers," Secretary of Banking and Securities Robin L. Wiessmann said. "Our hope is that this video will enable professionals who work closely with older clients to identify signs of elder financial abuse and take appropriate action to protect their clients."

The video is available on the Department of Aging's YouTube channel located [here](#), and the Department of Banking and Securities [Facebook](#).

"We are implementing Governor Wolf's Consumer Financial Protection Initiative, one of whose goals specifically identifies helping to protect senior citizens from financial abuse, said Deputy Secretary Brian LaForme. "Victims of elder abuse come from all walks of life. However, there is one thing they all have in common - the right to enjoy their retirement years with a basic sense of security."

The video was produced through a partnership of the Department of Banking and Securities, the Department of Aging, the Investor Protection Trust, the Investor Protection Institute, and the North American Securities Administrators Association.

27th Annual NAPSA Conference - August 29 – 31, 2016

PROTECT | PREVENT | EMPOWER



7th Annual Summit on Elder Financial Exploitation
September 1, 2016
Loews Hotel, Philadelphia, PA



Register Now

Primary Conference partners include **Pennsylvania Department of Aging** and **Temple University Harrisburg**.

Additional Conference Partners: Department of Human Services, Department of Health, Department of Banking and Securities, Department of Drug and Alcohol Programs, Pennsylvania State Police, Office of Attorney General, Department of Revenue, Pennsylvania Lottery, Pennsylvania Commission on Crime & Delinquency



Wiessmann Announces State Government Financial Information Exchange



Secretary of Banking and Securities Robin L. Wiessmann has announced the formation of a state government financial information exchange, which is part of Governor Wolf's Consumer Financial Protection Initiative.



Twenty state government agencies that offer some form of financial education or outreach to consumers form the exchange. Participating agencies work in a coordinated fashion to provide Pennsylvanians with personal financial information from non-commercial sources.

"Imagine you suspect someone is taking advantage of your grandmother and defrauding her through a banking or retirement account. Who do you call with your questions or to file a complaint?" Wiessmann asks. "Because of the work of the exchange, you will get an appropriate and helpful response whether you call the hotlines from the Department of Banking and Securities, the Department of Aging, or the Attorney General's Office – or even the Department of Agriculture or Insurance Department."

Exchange agencies include: Administration, Aging, Agriculture, Attorney General, Banking and Securities, Community and Economic Development, Education, PA e-Health Partnership, PA Emergency Management Agency, PA Housing Finance Agency, PA Higher Education Assistance Agency, Human Services, Insurance, Labor & Industry, Public School Employees Retirement System, Revenue, State Police, Transportation, Treasury, and the Public Utility Commission.

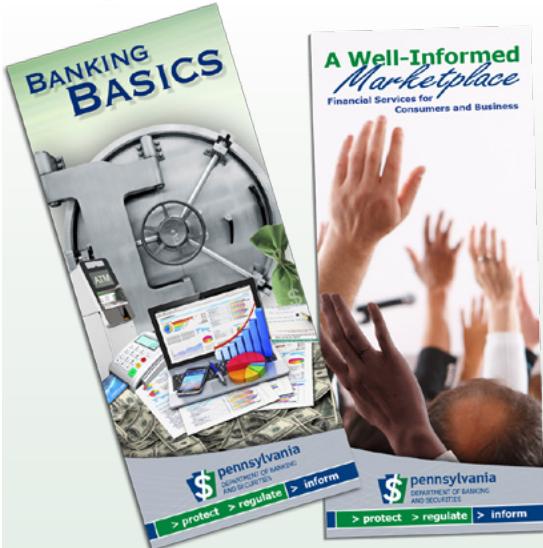
The exchange is working on creating inter-agency collaborations on issues such as cybersecurity, financial fraud, and financial products being sold to senior citizens.

"When I first began talking about 'Government that Works,' this is the kind of outcome I imagined," said Governor Tom Wolf. "I am grateful that so many agencies, including several not under my jurisdiction, have joined this initiative and I congratulate their leaders."



Department Welcomes FNCB Bank of Dunmore to State Charter

The Department of Banking and Securities welcomes FNCB Bank of Dunmore, Lackawanna County, which converted from a national banking association (operating as First National Community Bank) to a Pennsylvania state chartered bank in the second quarter of 2016.



Update: Financial Services for Consumers and Business

The department has published two new brochures to help guide consumers and community groups:

"Banking Basics" helps consumers with basic questions about the various types of checking and savings accounts available at banks and credit unions. The brochure [[here](#); PDF] addresses several issues, including: types of deposit accounts; questions to ask yourself before opening a deposit account; and where to go for help or to file a complaint regarding your account.

"A Well-Informed Marketplace" [[here](#); PDF] describes the various public outreach programs offered by Financial Services for Consumers and Business staff, audiences that will benefit most from these programs, and how to book a program for your group.

"As the financial services marketplace becomes more complex and global, consumers need clear and easy-to-understand information to help them make good decisions with their money," Secretary of Banking and Securities Robin L. Wiessmann said. "These new publications will help consumers and community groups ask the right questions and guide them through the answers."

To learn more about our publications and programs, the public can contact the department using a new email address: informed@pa.gov

Knopp to Oversee Non-Depository Supervision



Timothy D. Knopp has been appointed Acting Deputy Secretary of Non-Depository Institutions, overseeing the department's work with consumer lenders, including mortgage originators, lenders, and brokers; auto sales finance companies, money transmitters, consumer discount companies, debt services companies, and pawnbrokers.

He has served the department since 2005, most recently as Director of the Bureau of Non-Depository Examinations. Prior to joining the department, he was an Internet Sales and Leasing Consultant in the auto sales industry.

"Tim is a bright, engaged, and knowledgeable professional," said Secretary Robin L. Wiessmann. "We hope the financial services industries he helps oversee share our enthusiasm for him and his work."

The Education Foundation of State Bank Supervisors has certified him as a mortgage examiner and a senior mortgage examiner. He is a graduate of the Commonwealth's Leadership Development Institute. He earned a bachelor's degree from Indiana University of Pennsylvania and an MBA from Shippensburg University.

Cybersektion

Cybersecurity Spotlight – Ransomware

What is Ransomware?

Ransomware is a form of malware, which is software designed to damage or disable computers and computer systems. Ransomware targets your critical data and systems for the purpose of extortion.

Ransomware is frequently delivered through “spear phishing” emails, which are emails sent by criminal hackers that appear to be from an individual or business known to your or your employees.

Once enabled, the ransomware locks the legitimate user out of their data or system, and the criminal hacker demands a ransom payment. After paying the ransom, you will purportedly regain access to your system or data.

The Ransomware Threat

Ransomware is the fastest growing malware threat, targeting users of all types—from the home user to the corporate network. On average, more than 4,000 ransomware attacks have occurred daily since January 1, 2016. This is a 300-percent increase since 2015.

However, businesses can take steps to prevent these attacks as well as plan responses to attacks that can significantly mitigate the risk posed to your business. The U.S. Department of Homeland Security’s **Alert TA16-091A** (Ransomware and Recent Variants) provides important information on this threat. You can also:

- Educate your staff – constantly remind employees about the basics, such as “think before you click.”
- Be proactive – put in place, and maintain, software, hardware, and training measures.
- Review business continuity plans – make sure they address cybersecurity contingencies.
- Review industry and regulatory cybersecurity best practices and guidance, which is available [here](#).

Where to Report Ransomware Attacks?

- Federal Bureau of Investigation, [here](#).
- Internet Crime Complaint Center, [here](#)
- United States Secret Service Electronic Crimes Task Force, [here](#) and Local Field Offices, [here](#)

Source: “[How to Protect Your Networks from Ransomware](#)”



Department Closes First CornerStone Bank



Source: Lance Knickerbocker, montco.today

On May 6, the Department of Banking and Securities closed the \$103.3 million-asset First CornerStone Bank, King of Prussia. The FDIC entered into a purchase and assumption agreement with First-Citizens Bank & Trust Company, Raleigh, NC, to assume all of the deposits of First CornerStone Bank.

The cost to the Deposit Insurance Fund was estimated to be \$10.8 million. This failure was the third bank failure of 2016 and the first bank failure in Pennsylvania since 2014.

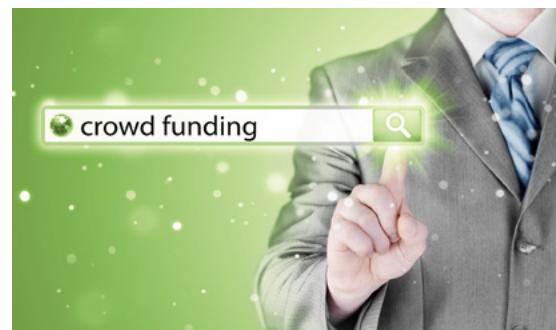


TOP 10 Things Investors and Businesses Need to Know about Crowdfunding

In 2012, Congress passed the JOBS Act, which directed the Securities and Exchange Commission (SEC) to formulate rules to exempt “equity crowdfunding” from securities registration laws. These rules went into effect in May, 2016 and removed restrictions on start-ups and small businesses using the Internet to find investors. Here are ten things investors and businesses should know about crowdfunding:

1. Businesses can raise up to \$1 million in a 12-month period from individual investors, who can invest up to \$2,000 in a 12-month period but no more than \$100,000, determined by their income and net worth.
2. All companies offering securities for sale – through traditional or crowdfunding methods -- must either register their securities or find an exemption from registration from the SEC or a state regulator. Even if exempt, businesses still must abide by legal disclosure requirements, including disclosures of all material facts and risks to investors.
3. Individuals can invest in start-ups and small businesses directly or through an intermediary, such as a broker-dealer or a “funding portal.” Portals facilitate the investment, including the payment from the investor to the business. You can find information about portals on FINRA’s website, [[here](#)].
4. By law, funding portals are not allowed to provide investment advice and must be registered with the SEC.
5. All investments have risk, but small business investments are particularly risky. Small businesses have high failure rates and there is very little information publicly available about the businesses.
6. Crowdfunding portals or other online intermediaries claiming an accreditation or “seal of approval” from a standards program or board may not be legitimate.
7. Issuers using funding portals to raise money may be inexperienced. Their track records may be unproven, unsubstantiated, or outright fraudulent.
8. Crowdfunding investments are mostly illiquid and investors must be prepared to hold their investments indefinitely. It also may be difficult or impossible to resell these securities due to the lack of a secondary market.
9. Companies using crowdfunding may not make investment opportunities directly to individual investors.
10. While crowdfunding opens new capital raising opportunities for small businesses and investors, you should perform due diligence on investment opportunities you learn about through the Internet. When you see an offering on the Internet — whether on a funding portal, in an online newsletter, message board or chat room — you should investigate before you invest.

Learn more about crowdfunding for investors [[here](#)] and businesses [[here](#)].



Bloomsburg University Students Finalists in National Bank Study Competition

A group of students at Bloomsburg University advanced to the final round of the national 2016 Community Bank Case Study Competition, which was ultimately won by a team from Southeastern Louisiana University.

The competition encourages college students to explore community banking by partnering student teams with local banks to conduct original case studies, focusing on the impact of small business lending efforts by local community banks.

The Community Bank Case Study Competition is sponsored and managed by the Conference of State Bank Supervisors (CSBS).

"I am excited to see our students take an interest in community banking," said Secretary of Banking and Securities Robin L. Wiessmann. "Community banks play an invaluable role in communities across Pennsylvania, and the research from these students will foster even more insight into the impact of community banks on local and regional business and economies."

The students partnered with Mid Penn Bank. Professor Victoria Geyfman served as the team's faculty advisor. To learn how you can be involved in the 2016-17 Community Bank Case Study Competition, click [here](#).



Bloomsburg U bank study team
Source: bloomsburgu.tumblr.com/

Compliance Corner

2nd Quarter 2016 Enforcement Orders

The Department of Banking and Securities issued **18 enforcement orders** during the second quarter of 2016. Fines and assessments for these orders totaled **\$118,830** including:

- Two Consent Agreement and Orders issued for violations of the Pennsylvania Securities Act of 1972;
- One Cease and Desist Order issued for violations of the Pawnbrokers License Act;
- One Order to Revoke License issued for violations of the Pawnbrokers License Act;
- Two Consent Agreement and Orders issued for violations of the Money Transmitter Act;
- One Cease and Desist Order issued for violations of the Consumer Credit Code;
- One Consent Agreement and Order for violations of the Check Casher Licensing Act, which includes license revocation, five-year prohibitions, and customer restitution;
- Four Consent Agreement and Orders issued for violations of the Consumer Credit Code; and
- Six Consent Agreement and Orders issued for violations of the Consumer Discount Company Act.

Comprehensive lists of enforcement orders administered by the Department of Banking and Securities are available online [[here](#)]. Consumers can make inquiries or file a complaint against any company or individual regulated or licensed by the Department of Banking and Securities online or by calling **1.800.PA.BANKS** (800.722.2657).

5 Things for Businesses to Know about Cashing Checks

1. Governor Tom Wolf signed Senate Bill 489 into law on June 17 at Act 45 of 2016, amending the Check Casher Licensing Act.
2. Retail food stores that cash checks for a fee are not required to register with NMLS.
3. Check cashers must post an easily accessible and readable notice of their exact fees and charges in their place of business.
4. Check cashers may not charge more than 1.5 percent on a government check or 0.5 percent on a government assistance check.
5. A "government assistance check" is one issued by the federal or state government on a continuing, periodic basis (i.e. Social Security, workers' compensation, veterans benefits, or housing).



Learn more about Act 45 of 2016, [\[here\]](#).

5 Things for Consumers to Know about Cashing Checks

1. Go to the bank or credit union that issued the check -- they may not charge a fee to cash their own check.
2. For paychecks, ask your employer to cash your paycheck for you. Also ask your employer to request that their bank or credit union to cash their employee's payroll checks for free.
3. Ask your employer if your pay can be directly deposited to a prepaid card.
4. Retailers may charge less than other services, charging as little as \$3 for checks of \$1,000 or less.
5. Prepaid accounts may help those who cash many checks.



Learn more about timely, free or low-fee check-cashing options [\[here\]](#).



Research Region

