

In re: 1st 2nd Mortgage Company of N.J., Inc.
Case No.: 14-254

CONSENT ORDER

The State of New Hampshire Banking Department (the "Department") finds and Orders as follows:

Respondent

1. 1st 2nd Mortgage Company of N.J., Inc. ("Respondent") is an active New Hampshire-licensed Mortgage Banker with a principal office location in Cresskill, New Jersey. Respondent was previously licensed by the Department as a Mortgage Banker until December 31, 2005, when it ceased originating residential mortgage loans but continued servicing them.
2. This Consent Order covers Respondent's unregistered mortgage servicer activity prior to re-licensure as a New Hampshire Mortgage Banker in 2013.

Jurisdiction

3. The Department is authorized to regulate mortgage servicers pursuant to RSA Chapter 397-B. *RSA 397-B:2,I.*
4. The Commissioner has jurisdiction to assess penalties pursuant to RSA Chapter 397-B. *RSA 397-B:3,VIII and RSA 397-B:6,IV.*

5. The Department may assess Respondent administrative fines of up to \$2,500.00 for each negligent violation of RSA Chapter 397-B. *RSA 397-B:6,IV.*

Facts

6. Respondent reasonably relied in good faith on its attorney's opinion and failed to obtain a New Hampshire Mortgage Servicer Registration to service the three New Hampshire loans Respondent originated in 2004 and 2005.
7. During the request for information, Respondent fully cooperated with the Department and provided the information to show that it did conduct business in New Hampshire without proper registration.

Violation(s) of Law and Penalties

8. Respondent conducted unregistered mortgage servicer activity for New Hampshire consumers without a valid Mortgage Servicer Registration, in violation of RSA 397-B:2,I.

Respondent's Consent and Acknowledgments

9. Respondent hereby acknowledges that were an administrative hearing to be held in this matter, the Department would introduce evidence demonstrating that Respondent violated RSA Chapter 397-B.
10. Respondent voluntarily entered into this Consent Order

without reliance upon any discussions between the Department and Respondent, without promise of a benefit of any kind (other than concessions contained in this Consent Order), and without threats, force, intimidation, or coercion of any kind. Respondent further acknowledges its understanding of the nature of the allegations set forth in this action, including the potential penalties provided by law.

11. Respondent hereby acknowledges, understands, and agrees that it has the right to notice and hearing and hereby waives said rights. Respondent hereby further acknowledges it waives the filing of any civil actions related to this matter.

Order

12. **Whereas pursuant to RSA 397-B:3,VI** finding this Consent Order necessary, appropriate and in the public interest and consistent with the intent and purposes of New Hampshire banking laws, the Department Orders as follows:

- a. Respondent shall pay to the Department \$3,000.00 in administrative penalties, which shall be payable contemporaneously with Respondent's signing of this Consent Order. The check shall be bank check or guaranteed funds and made payable

to the "State of New Hampshire."

13. This Consent Order may be revoked and the Department may pursue any and all remedies available under law, if the Department later finds that Respondent knowingly or willfully withheld information used and relied upon in this Consent Order or violates this Consent Order.
14. This Consent Order is binding on all heirs, assigns, and/or successors in interest.
15. This Consent Order shall become effective upon the date the Commissioner signs this Consent Order providing the Department has confirmed the payment referenced in Paragraph 12.a. herein.
16. Once this Consent Order is effective, the Department agrees not to seek further reimbursement, refunds, penalties, fines, costs, or fees regarding the facts, allegations, or findings of violations contained herein.

WHEREFORE, based on the foregoing, we have set our hands to this Consent Order, effective upon its execution by Glenn A. Perlow, Bank Commissioner.

Recommended this 18th day of November, 2014 by

/s/

Maryam Torben Desfosses,
Hearings Examiner, Banking Department

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