

**STATE OF NEW HAMPSHIRE  
BANKING DEPARTMENT**

In The Matter of: RockLoans Marketplace LLC d/b/a RocketLoans

Case No. 17-071

**CONSENT ORDER**

The State of New Hampshire Banking Department (“Department”), acting in agreement with the respondent, RockLoans Marketplace LLC d/b/a RocketLoans (“RocketLoans”), finds and orders as follows:

**Jurisdiction**

Pursuant to RSA 399-A:2, I, the New Hampshire Banking Department (“Department”) is charged with regulating persons that “engage in the business of a small loan lender” in New Hampshire. Pursuant to RSA 399-A:1, XII, a “lender” includes “a person who for compensation or gain, or in the expectation of compensation or gain, either directly, or indirectly, (a) [a]cts as an intermediary, finder, or agent of a lender or borrower for the purpose of negotiating, arranging, finding, or procuring loans, or commitments for loans,” “(b) Offers to serve as an agent for any person in an attempt to obtain a loan,” or “(c) [o]ffers to serve as an agent for any person who has money to lend for a loan.” Pursuant to RSA 399-A:13, I, the Department is authorized to examine the business affairs of any licensee or non-licensee small loan lender to determine compliance with RSA 399-A.

**Background**

RocketLoans is a Michigan limited liability company with a principal office location in Detroit, Michigan. RocketLoans is a critical vendor to Cross River Bank, a New Jersey state-chartered FDIC insured bank (“Cross River Bank”). RocketLoans operates RocketLoans.com,

which allows consumers to apply for loans made by Cross River Bank. Cross River Bank retains the master servicing rights of all loans it originates through RocketLoans.com, and RocketLoans acts as a subservicer. RocketLoans does not have any ownership interest in any of the loans that Cross River Bank originates through RocketLoans.com. The Department takes the position that RocketLoans is an unlicensed small loan lender. Pursuant to its authority under 399-A:13, I and VII, the Department, through the Consumer Credit Division, conducted an investigation of RocketLoans.

Through its investigation, the Department determined that from at least August 2, 2016, RocketLoans conducted unlicensed small loan lender activity by serving as the intermediary or finder of borrower for the purpose of arranging, finding or procuring loans, or commitments for loans, serving as the agent of a borrower in an attempt to obtain a loan and serving as the agent of a financial institution who has money to lend for a loan. Namely, RocketLoans' website, RocketLoans.com, was available to New Hampshire consumers to obtain loans from Cross River Bank. It is the Department's position that RocketLoans conducted such activity with thirteen (13) New Hampshire consumers in violation of RSA 399-A:2, I.

RocketLoans explained its good faith legal position to and fully cooperated with the Department regarding its unlicensed activity. RocketLoans will not be continuing such activity with New Hampshire consumers until it obtains a New Hampshire small loan lender license.

### **Acknowledgments**

**WHEREAS**, RocketLoans makes the following acknowledgements:

1. Without admitting liability, RocketLoans voluntarily enters into and signs this Consent Order without reliance upon any discussions between the Department and RocketLoans, without the promise of a benefit of any kind (other than the concessions

- contained in this Consent Order), and without threats, force, intimidation or coercion of any kind.
2. RocketLoans understands the nature of the allegations set forth herein and that they constitute grounds for potential sanctions, as provided by law.
  3. RocketLoans acknowledges, understands, and agrees that it has the right to notice and an adjudicatory hearing to contest the matters set forth herein, including any appeal, and hereby waives those rights. RocketLoans further acknowledges it waives the filing of any civil actions related to this matter.
  4. RocketLoans understands that its action in entering this Consent Order is a final act and not subject to reconsideration or judicial review or appeal.
  5. RocketLoans represents and warrants that it has all the necessary rights, powers and abilities to carry out the terms of this Consent Order.
  6. RocketLoans acknowledges that the Department is relying upon RocketLoans' representations and warranties stated herein in making its determinations in this matter.
  7. RocketLoans acknowledges that this Consent Order may be revoked and the Department may pursue any and all remedies available under the law against RocketLoans if the Department later learns that RocketLoans knowingly or willfully withheld information from the Department.
  8. This Consent Order is binding on all heirs, assigns and successors in interest.

### **Order**

Pursuant to RSA 399-A:20, VI, the Bank Commissioner ("Commissioner") finds this action necessary or appropriate to the public interest or the protection of consumers and

consistent with the purposes fairly intended by the policy and provisions of RSA Chapter 399-A. Additionally, the Commissioner finds that RocketLoans violated RSA 399-A:2, I by serving as a small loan lender without a license by serving as the intermediary or finder of a small loan through Cross River Bank for a New Hampshire consumer. Accordingly, the Commissioner orders as follows:

1. RocketLoans shall not act as an intermediary or finder of a borrower for loans under \$10,000 with an annual percentage rate of ten percent (10%) or more until such time RocketLoans obtains a New Hampshire small loan lender license.
2. RocketLoans shall remit an administrative fine in the amount of \$10,000. The first payment of \$5,000 shall be made contemporaneously with RocketLoans's execution of this Consent Order. The final payment shall be paid on or before November 1, 2017. Each check shall be by bank check made payable to the "State of New Hampshire."
3. Failure by RocketLoans to comply with any portion of this Consent Order shall constitute a separate and sufficient basis for administrative action, up to and including license revocation and monetary penalties.
4. This Order fully resolves this matter and the Commissioner will not take further action against RocketLoans for the allegations presented herein. However, the Department may take enforcement action against RocketLoans for any violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms of this Order are not being observed or if any representation made by RocketLoans and reflected herein is subsequently discovered to be untrue.

5. This Consent Order shall become final when executed by the Commissioner.

Recommended by:

\_\_\_\_\_/s/\_\_\_\_\_  
Maryam Torben Desfosses  
Hearings Examiner  
New Hampshire Banking Department

\_\_\_\_\_  
Oct 11, 2017  
Date

\_\_\_\_\_/s/\_\_\_\_\_  
Colin Darke, Esquire  
Chief Compliance Officer  
RockLoans Marketplace LLC  
d/b/a RocketLoans

\_\_\_\_\_  
10/18/17  
Date

**SO ORDERED.**

\_\_\_\_\_/s/\_\_\_\_\_  
Gerald H. Little  
Bank Commissioner  
New Hampshire Banking Department

\_\_\_\_\_  
10/24/17  
Date