

# STATE OF NEW JERSEY



## DEPARTMENT OF BANKING AND INSURANCE DIVISION OF BANKING

### CONSENT ORDER NO. E14-014765

IN THE MATTER OF:	)	
VANGUARD FUNDING, LLC	)	CONSENT ORDER
NMLS. NO. 2675	)	

VANGUARD FUNDING, LLC	)
ATTN: BRIAN OFSIE	)
300 GARDEN CITY PLAZA, SUITE 170	)
GARDEN CITY, NY 11530	)

VANGUARD FUNDING, LLC	)
345 PASSAIC AVE.	)
FAIRFIELD, NJ 07004	)

This matter having been opened to the Office of Consumer Finance within the Division of Banking of the New Jersey Department of Banking and Insurance ("Department") upon information that Vanguard Funding, LLC ("Licensee"), a licensed residential mortgage lender pursuant to the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 et seq. (the "Act"), may have violated certain provisions of the Act; and

WHEREAS IT APPEARS that Licensee may have violated the following:

1. N.J.S.A. 17:11C-65 a. Maintenance of branch offices by business licensee: *"A residential mortgage lender...that is a business license may maintain a branch office or offices. The business licensee shall obtain a license for each branch office in this State and each branch office outside this State from which the licensee has direct contact with New Jersey consumers regarding origination or brokering"*:

A recent investigation and review of the application log has determined that the Licensee's branch office located at 345 Passaic Ave., Fairfield, NJ was not properly licensed prior to originating and brokering New Jersey residential mortgage loan applications.

2. N.J.S.A. 17:16H-2 Prohibited advertisements, announcements or statements : *“No financial institution shall make, publish, disseminate, circulate, or place before the public...a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, an advertisement, announcement or statement containing any assertion, representation or statement which is inaccurate, untrue, deceptive or misleading or which negatively affects the public's confidence in such financial institution or financial institutions in general...”*

AND WHEREAS, in the event that the Commissioner issued an administrative Order to Show Cause to Licensee addressing the above-referenced apparent violations, Licensee would be entitled to request a hearing of the matter as a contested case in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.; and

WHEREAS Licensee understands these rights and has voluntarily waived the right to a hearing on the matters addressed in this Consent Order; and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, Licensee has agreed for purposes of settlement to undertake the following actions:

1. Licensee will ensure that all branch offices in this State or outside this State will be properly licensed prior to originating or brokering New Jersey residential mortgage loan applications; and
2. Licensee shall discontinue all advertisements at its unlicensed branch location located at 345 Passaic Ave, Fairfield, NJ; and
3. Pay civil administrative penalties; and

WHEREAS, without making any admission of liability with respect to any of the alleged violations cited in this Consent Order, Licensee has agreed for purposes of settlement to pay civil administrative penalties in the amount of \$4,000.00; and

WHEREAS the provisions of this Consent Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and regulations and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in bankruptcy proceedings; and

WHEREAS the parties to this Consent Order have determined that this matter is suitable for resolution upon the consent of the parties and that Licensee and the Commissioner desire to resolve this matter without a hearing or litigation, and for further good cause appearing;

NOW, THEREFORE, IT IS on this 21<sup>st</sup> day of August 2014, ORDERED AND

AGREED as follows:

1. Licensee will ensure that all branch offices in this State or outside this State will be properly licensed prior to originating or brokering New Jersey residential mortgage loan applications.
2. Licensee shall discontinue all advertisements at its unlicensed branch location located at 345 Passaic Ave, Fairfield, NJ.
3. Licensee shall pay civil administrative penalties in the amount of \$4,000.00. Payment shall be made as follows. The amount of said penalties is due in full immediately upon entry into this Consent Order by means of a certified check, bank check or money order made payable to the "Treasurer, State of New Jersey" and forwarded with this Consent Order duly signed by an authorized representative of Licensee to:

Department of Banking and Insurance  
Division of Anti-Fraud Compliance  
P.O. Box 325  
Trenton, New Jersey 08625  
Attn: Jan Allen

3. Licensee consents to the entry of this Consent Order as a Final Administrative Order, and Licensee understands that this Final Administrative Order may be docketed with the Clerk of the Superior Court as provided in the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.

Consented to with respect to both form and content:

Vanguard Funding, LLC

By: Brian Ofsic  
Print Name: Brian Ofsic  
Title: President  
Date: 8/1/2014

It is so ordered:

KENNETH E. KOBYSLOWSKI, COMMISSIONER  
NEW JERSEY DEPARTMENT OF  
BANKING AND INSURANCE

By: Thomas M. Hunt  
Thomas M. Hunt, Deputy Assistant Director  
Office of Consumer Finance