

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial & Insurance Regulation

In the Matter of:

Value Point Financial, LLC

Enforcement Case No. 10-7604

License No. FL-0011509/SR-0012415

Respondent.

Tran Info: 61102 13847888-1 04/02/10
CRN#: 6257 Amt: \$1,000.00
ID: VALUE POINT FINANCIAL LLC

CONSENT ORDER REQUIRING COMPLIANCE
AND PAYMENT OF FINES

Issued and entered
on 4/9/10
by Stephen R. Hilker
Chief Deputy Commissioner

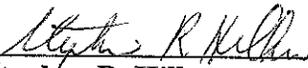
Based upon the Stipulation to Entry of Consent Order and the files and records of the Office of Financial and Insurance Regulation (OFIR) in this matter, the Chief Deputy Commissioner finds and concludes that:

1. The Chief Deputy Commissioner has jurisdiction and authority to adopt and issue this Consent Order in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (MAPA), as amended, MCL 24.201 *et seq.*, and the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, MCL 445.1651 *et seq.* (MBLSLA).
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the Stipulation to Entry of Consent Order is reasonable and in the public interest.
4. All applicable provisions of the MAPA and the MBLSLA have been met.

5. Respondent violated Section 2(1) of the MBLSLA, MCL 445.1652(1); Section 2a of the MBLSLA, MCL 445.1652a; and Sections 21(1) and (2) of the MBLSLA, MCL 445.1671(1) and (2).

Now therefore, based upon the Stipulation to Entry of Consent Order and the facts surrounding this case, **IT IS ORDERED THAT:**

1. The Stipulation submitted by the parties to the Chief Deputy Commissioner is hereby accepted.
2. Respondent shall pay to the State of Michigan, through OFIR, a civil fine in the amount of \$1,000. Respondent shall further pay the fine within 30 days of the invoice date as indicated on the OFIR invoice.
3. Respondent shall Cease and Desist from violating the MBLSLA.
4. Respondent shall only make 10 or fewer mortgage loans in a 12-month period from January 1 through December 31, in compliance with the MBLSLA. If the Respondent will make 11 or more mortgage loans during the 12-month period from January 1 through December 31, Respondent shall apply for and obtain the appropriate license prior to making the mortgage loans, in compliance with the MBLSLA.
5. The Chief Deputy Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as he shall deem just, necessary and appropriate in accordance with the MBLSLA. Failure to abide by the terms and provisions of the Stipulation and this Order may result in the commencement of additional proceedings.



Stephen R. Hilker
Chief Deputy Commissioner

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STIPULATION TO ENTRY OF CONSENT ORDER

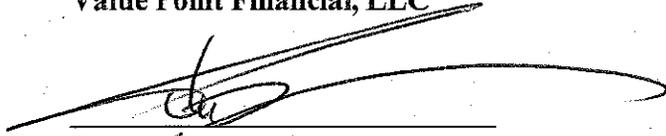
Value Point Financial, LLC (Respondent) and the Office of Financial and Insurance Regulation (OFIR) stipulate to the following:

1. On or about December 14, 2009, OFIR served Respondent with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent violated provisions of the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, MCL 445.1651 *et seq.* (MBLSLA).
2. The NOSC contained allegations that Respondent violated the MBLSLA, and set forth the applicable laws and penalties which could be taken against Respondent.
3. Respondent exercised its right to an opportunity to show compliance by responding to the NOSC in writing on January 11, 2010.
4. OFIR and Respondent have conferred for purposes of resolving this matter and determined to settle this matter pursuant to the terms set forth below.
5. The Chief Deputy Commissioner of OFIR has jurisdiction and authority to accept this Stipulation to Entry of Consent Order and issue a Consent Order pursuant to the Michigan Administrative Procedures Act, MCL 24.201 *et seq.* (MAPA), and the MBLSLA.
6. At all pertinent times, Respondent was licensed with OFIR as a mortgage broker and lender pursuant to the MBLSLA.

7. Based upon the allegations set forth in the NOSC and communications with the Respondent, the following facts were established:
 - a. Between January 2009, and the date of the examination, Respondent acted as a mortgage servicer without the required license and serviced 17 mortgage loans, seven of which were in violation of the MBLSLA. Section 2(1) of the MBLSLA, MCL 445.1652, states, in part, "A person shall not act as a mortgage broker, mortgage lender, or mortgage servicer without first obtaining a license under this act or registering under section 6, unless . . . the person is exempted from the act under section 25." Section 25(h) of the MBLSLA states, in part, "This act does not apply to . . . a mortgage servicer that in the aggregate with any affiliates services 10 or fewer mortgage loans in a 12-month period from January 1 to December 31."
 - b. Licensee allowed an employee to originate a mortgage loan after April 1, 2009, despite the fact that Licensee's employee was not a registered loan officer, in violation of Section 2a of the MBLSLA, MCL 445.1652a.
 - c. Licensee failed to properly date the initial application on 10 mortgage loans in violation of Section 21(1) of the MBLSLA, MCL 445.1671(1), which provides, in part, that the Licensee "shall maintain books, accounts, records, and documents of the business, as prescribed by the commissioner, conducted under the license or registration to enable the commissioner to determine whether the business of the licensee or registrant is conducted pursuant to this act and the rules promulgated under this act."
 - d. Licensee failed to preserve mortgage loan documents that were in its possession and control and failed to keep these documents available for examination, in violation of Section 21(2) of the MBLSLA, MCL 445.1671(2).
8. Based on the foregoing, Respondent has violated Section 2(1) of the MBLSLA, MCL 445.1652(1); Section 2a of the MBLSLA, MCL 445.1652a; and Sections 21(1) and (2) of the MBLSLA, MCL 445.1671(1) and (2).
9. Both parties have complied with the procedural requirements of the MAPA and the MBLSLA.
10. Respondent agrees to pay to the State of Michigan, through the OFIR, a civil penalty in the amount of \$1,000. The fines will be paid within 30 days of the invoice date as indicated on the OFIR invoice.

11. Respondent agrees that it will make 10 or fewer mortgage loans in a 12-month period from January 1 through December 31, in compliance with the MBLSLA. If the Respondent will make 11 or more mortgage loans during the 12-month period from January 1 through December 31, Respondent will apply for and obtain the appropriate license prior to making the mortgage loans, in compliance with the MBLSLA.
12. Respondent shall not engage in any violations of sections of the MBLSLA identified in paragraph 7 of this Stipulation to Entry of Consent Order.
13. Respondent understands and agrees that this Stipulation will be presented to the Chief Deputy Commissioner for approval. The Chief Deputy Commissioner may in his sole discretion, decide to accept or reject the Stipulation to Entry of Consent Order. If the Chief Deputy Commissioner accepts the Stipulation to Entry of Consent Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Consent Order. If the Chief Deputy Commissioner does not accept the Stipulation to Entry of Consent Order, Respondent waives any objection to the Commissioner holding a formal administrative hearing and making his decision after such hearing.
14. The failure to abide by the terms and conditions of this Stipulation to Entry of Consent Order and the Consent Order may, at the discretion of the Chief Deputy Commissioner, result in further administrative compliance actions.
15. The Chief Deputy Commissioner has jurisdiction and authority under the provisions of the MAPA and the MBLSLA to accept the Stipulation to Entry of Consent Order and to issue a Consent Order resolving these proceedings.
16. Respondent has had an opportunity to review the Stipulation to Entry of Consent Order and the Consent Order and have the same reviewed by legal counsel.

Value Point Financial, LLC


By: Thomas Dann
Its: Managing Member

MAR 26, 2010
Dated

Office of Financial & Insurance Regulation


By: Scott D. Basel (P68335)
Staff Attorney

4-8-10
Dated