

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Andy-Awad Hanna Salama
NMLS No. 208393,

Enforcement Case No. 13-11836

Applicant.

Issued and Entered,
this 17th day of January, 2014,
By Rhonda J. Fossitt,
Senior Deputy Director

ORDER OF DENIAL
OF MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION

I.
STATEMENT OF LAW

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation have been transferred to the Director (Director) of the Department of Insurance and Financial Services (DIFS).
2. The Director regulates and licenses Mortgage Loan Originators in Michigan pursuant to the Mortgage Loan Originator Licensing Act, 2009 P.A. 75, as amended, MCL 493.131 *et seq.* (the Act).
3. Section 9(1)(d) of the Act prohibits the Director from issuing a license unless the Director finds that, “[t]he applicant has demonstrated financial responsibility, character, and general fitness that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of this act.” MCL 493.139(1)(d).
4. Section 33(1)(a) of the Act empowers the Director to investigate an applicant for licensing to determine compliance with the Act. MCL 493.163(1)(a).

II.
FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. On or about February 7, 2012, Applicant submitted an application for a mortgage loan originator license despite the fact that he entered into a Stipulation and Consent Order on July 22, 2011, barring Applicant from making application for licensure under the Act for two years. The application was subsequently withdrawn by Applicant on August 7, 2012,

for reasons unrelated to the fact that there was an Order prohibiting such an application. Applicant also provided a “no” response to questions that required him to disclose regulatory action taken against him or an entity he controlled.

2. On or about February 19, 2013, Applicant submitted another application for a mortgage loan originator license despite the fact that the bar imposed upon Respondent by DIFS was still in effect and would require an automatic denial of licensure. In his second application, Applicant was truthful and provided the appropriate responses to questions related to enforcement action by an agency and/or regulator. This particular application was cancelled by DIFS on or about August 27, 2013, because Applicant was prohibited from applying for the license in question.
3. On or about August 28, 2013, DIFS received a mortgage loan originator application from Mr. Andy-Awad Hanna Salama (Applicant), NMLS No. 208393, for a license to originate mortgage loans under the Act.
4. The aforementioned Stipulation and Consent Order indicated that the following violations occurred while Applicant was the President of Prime Plus Mortgage, Inc.:
 1. Applicant, through his company, paid two independent contractors, independent net branches, or unlicensed entities for regulated mortgage transactions.
 2. Applicant operated two independent net branches.
 3. Applicant failed to:
 - a. Maintain adequate books and records of its business to enable the Director to determine compliance with applicable statutes;
 - b. Preserve, maintain, and keep available for inspection and examination by the Director, each mortgage loan document in his possession or control;
 - c. Develop and implement written standards for safeguarding customer information;
 - d. Provide one borrower with a proper full and complete adverse action disclosure;
 - e. Provide two borrowers with proper notice of their right to receive a copy of their appraisal report;
 - f. Provide six borrowers with a clear and meaningful disclosure on the good faith estimate of the yield spread premium that Applicant expected to receive from the lender; and
 - g. Fully comply with requirements set forth in a prior Consent Order in case No. 05-3011.

5. In addition during the application process, Applicant failed to demonstrate the financial responsibility required for licensure pursuant to MCL 493.139(1)(d). Particularly, DIFS investigation found that Respondent had a number of derogatory items on his credit report.
6. Pursuant to Section 33(1)(a) of the Act, MCL 493.163(1)(a), DIFS' Consumer Finance Licensing Section conducted a background investigation of Applicant to determine whether Applicant satisfied the conditions of Section 9(1) of the Act, MCL 493.139(1).
7. Based on the foregoing, the Director finds and concludes that Applicant's failure to comply with Orders issued by the Director and his documented history of failing to comply with statutes that govern mortgage transactions, indicate that Applicant has not demonstrated the character and general fitness that commands the confidence of the community and warrants a determination that the Applicant will operate honestly, fairly and efficiently as required to satisfy Section 9(1)(d) of the Act, MCL 493.139(1)(d).

III. ORDER

Based on the Statement of Law, Findings of Fact, and Conclusions of Law above, it is **ORDERED** that:

1. On November 21, 2013, the Director issued an Order of Denial of Mortgage Loan Originator License Application to **Andy-Awad Hanna Salama**. Said Order contained erroneous information and is hereby rescinded and replaced with this Order.
2. The application of **Andy-Awad Hanna Salama** for licensure as a Mortgage Loan Originator under the Act shall be and hereby is **DENIED**.
3. **Andy-Awad Hanna Salama** shall immediately cease and desist from conducting any activities that require licensure under the Act.

**DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES**



Rhonda J. Fossitt
Senior Deputy Director

Dated: January 17, 2014

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**IV.
APPEAL**

This Order of Denial is an administrative order subject to judicial review pursuant to the Michigan Constitution, MCL Const. Art. 6, § 28, and subject to the Revised Judicature Act, MCL 600.631.