

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Michigan Financial Mortgage Company, Inc.
FL-0015820

Enforcement Case No. 19-15676

Respondent.
_____ /

Issued and entered
on October 31, 2019
by Teri L. Morante
Chief Deputy Director

ORDER ACCEPTING STIPULATION AND REQUIRING COMPLIANCE AND PAYMENT OF FINES

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Chief Deputy Director finds and concludes that:

1. The Chief Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation and Requiring Compliance and Payment of Fines in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 *et seq.*, and the Mortgage Brokers, Lenders, and Servicers Licensing Act (Act), 1987 P.A. 173, as amended, MCL 445.1651 *et seq.*
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. All applicable provisions of the APA have been met.
4. Acceptance of the Stipulation to Entry of Order Requiring Compliance and Payment of Fines is reasonable and in the public interest.
5. Michigan Financial Mortgage Company, Inc. (Respondent) is a licensed mortgage broker and lender.
6. Respondent has violated the Act regarding materially deficient lending disclosures and failed to maintain the requirements for lender licensure under Section 3(1) of the Act, MCL 445.1653(1), and, therefore, has provided justification for the Director to issue sanctions, including payment of fines, under Section 29 of the Act, MCL 445.1662.
7. Respondent neither admits nor denies the violations cited in this Order Accepting Stipulation.
8. Respondent has a pending application for a mortgage broker license.

9. In resolution of this matter and to avoid further costs and proceedings, Respondent has agreed to accept sanctions, including voluntarily surrendering its mortgage broker and lender license and payment of fines.

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

1. All agreements contained in the Stipulation to Entry of Order Requiring Compliance and Payment of Fines are accepted and adopted in their entirety.
2. Respondent shall pay to the State of Michigan, through DIFS, administrative and civil fines in the amount of **\$1,000.00**. Respondent shall pay the fine by the invoice due date.
3. Respondent Michigan Financial Mortgage Company, Inc.'s mortgage broker and lender license shall be considered voluntarily surrendered, effective immediately upon the issuance of a mortgage broker license to Respondent.
4. The Chief Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Act. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.



Teri L. Morante
Chief Deputy Director

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In the matter of:

Michigan Financial Mortgage Company, Inc.
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Respondent.
_____ /

STIPULATION TO ENTRY OF ORDER REQUIRING COMPLIANCE AND PAYMENT OF FINES

Petitioner Department of Insurance and Financial Services (DIFS) and Respondent Michigan Financial Mortgage Company, Inc. stipulate to the following:

1. Michigan Financial Mortgage Company, Inc. (Respondent) is a licensed mortgage broker and lender.
2. On or about September 24, 2019, DIFS served Respondent with a Notice of Intention to Revoke and Statement of Factual Allegations alleging that Respondent had violated provisions of the Mortgage Brokers, Lenders, and Servicers Licensing Act (Act), 1987 P.A. 173, as amended, MCL 445.1651 *et seq.* DIFS had severe concerns with Respondent's ability to act as a mortgage lender and the prevalence of materially deficient lending disclosures. DIFS asserts these actions constitute a violation of the Act and a failure to maintain the requirements for initial licensure under Section 3(1) of the Act, MCL 445.1653(1), and, therefore, have provided justification for the Director to issue sanctions, including payment of fines, under Section 29 of the Act, MCL 445.1679.
3. Respondent neither admits nor denies the allegations above and has agreed to the entry of a stipulated order for the purpose of resolving this matter.
4. Respondent agrees that all parties have complied with the procedural requirements of the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.* and the Act.
5. Respondent waives its right to a hearing under the Act.
6. Respondent agrees to pay, through DIFS, an administrative and civil fine in the amount of \$1,000.00.
7. Respondent has submitted an application for a mortgage broker license. Respondent agrees that its Michigan mortgage broker and lender license will be considered voluntarily surrendered effective immediately upon the issuance of a mortgage broker license to Respondent.
8. Respondent has had an opportunity to review this Stipulation to Entry of Order Requiring Compliance and Payment of Fines and the proposed Order Accepting Stipulation and Requiring Compliance and Payment of Fines and have the same reviewed by legal counsel.

9. Respondent understands and agrees that this Stipulation to Entry of Order Requiring Compliance and Payment of Fines will be presented to the Chief Deputy Director for approval.
10. Respondent understands and agrees that the Chief Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Chief Deputy Director accepts the Stipulation to Entry of Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation. If the Chief Deputy Director does not accept the Stipulation to Entry of Order, Respondent waives any objection to the Director holding a formal administrative hearing and making a decision after such hearing.
11. Upon issuance and entry of the Order and Respondent's payment of the \$1,000.00 civil fine, DIFS shall conduct a final review of Respondent's mortgage broker license application material. If at that time Respondent's application contains all required and current information and Respondent meets all qualifications for mortgage broker licensure as required under the Act, DIFS shall issue a mortgage broker license to Respondent and its current mortgage broker and lender license will be accepted as surrendered.

Michigan Financial Mortgage Company, Inc.

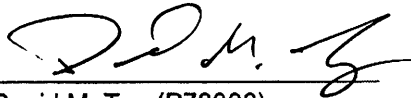


Ralph Rebandt III, Owner

10/30/19

Date

DIFS Staff approve this Stipulation and recommend that the Chief Deputy Director accept it and issue an Order Accepting Stipulation.



David M. Toy (P73000)
DIFS Staff Attorney

10/30/19

Date