STATE OF MICHIGAN
DEPARTMENT OF LICENSING & REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

GreenPoint Capital
535 Chanticleer Trail
Lansing, Michigan 48917
www.greenpointcapital.org

Respondent.
_____/

Enforcement Case No. 12-11483

Issued and entered,
this 22nd day of February, 2012
by Stephen R. Hilker,
Senior Deputy Commissioner

ORDER TO CEASE AND DESIST

and

NOTICE OF OPPORTUNITY FOR HEARING

NOW COMES the Office of Financial and Insurance Regulation ("OFIR"), pursuant to its authority to administer and enforce the Mortgage Brokers, Lenders, and Servicers Licensing Act ("MBLSLA"), MCL 445.1651 *et seq.*, 1987 PA 173, as amended, and by the authority granted to the Commissioner thereunder, hereby orders Respondent GreenPoint Capital, to immediately cease and desist from conducting unlicensed activities as a mortgage broker and lender without first obtaining a license or registering under the MBLSLA. Respondent is also notified of an opportunity to request a hearing on this matter.

I.

ORDER TO CEASE AND DESIST

1. The authority to issue the cease and desist order is found in Section 16(1) of the MBLSLA, which states:

   (1) After an investigation has been conducted pursuant to section 13, and prior to holding the hearing under section 18, the commissioner may order a person to cease and desist from a violation of this act or a rule promulgated or an order issued under this act. MCL 445.1666(1).

2. A review of OFIR records reveals that Respondent is not licensed under the MBLSLA.

3. Under Section 2 of the MBLSLA, it is a violation for a person to act as a mortgage broker, lender, or servicer without first obtaining a license or registering under the Act. MCL 445.1652.

4. A "mortgage broker" is defined by Section 1a(p) of the MBLSLA, as follows:

   "Mortgage broker" means a person who, directly or indirectly, does 1 or both of the following:

   (i) Serves or offers to serve as an agent for a person in an attempt to obtain a mortgage loan.
   (ii) Serves or offers to serve as an agent for a person who makes or offers to make mortgage loans. MCL 445.1651a(p).

5. A "Mortgage lender" means a person who, directly or indirectly, makes or offers to make mortgage loans. MCL 445.1651a(q).

6. In February 2012, OFIR Staff investigated GreenPoint Capital's business activities.

7. The investigation revealed that Respondent has engaged in activities regulated by the MBLSLA without the requisite license or registration. Specifically, OFIR Staff found that Respondent operated an unlicensed mortgage company in Michigan, and on the website www.greenpointcapital.org. The website states, "Home loans through GreenPoint Capital are available for a broad range of credit conditions. If you are considering a new home loan, whatever your credit status, it is important to become an informed consumer, taking the time to carefully research the options available to you. Part of this research should include talking to a GreenPoint Capital certified mortgage specialist...."
8. Pursuant to the MBLSLA, MCL 445.1651a(p), the Respondent's website advertising and ongoing business activities as a mortgage company constitute an offer "to serve as an agent for a person in an attempt to obtain a mortgage loan" without first obtaining a mortgage broker license, and are in violation of the Act.
9. Pursuant to the MBLSLA, MCL 445.1651a(q), Respondent's website advertising and ongoing business activities as a mortgage company constitute an offer to "make or offer to make mortgage loans" without first obtaining a mortgage lender license, and are in violation of the Act.
10. Based upon the violation of the MBLSLA, Respondent may be subject to all of the penalties and fines that may be imposed against a licensee or registrant. Section 1a(n) of the MBLSLA provides:

"Licensee" means a person licensed or required to be licensed under this act. MCL 445.1651a(n).

Section 29 of the MBLSLA, MCL 445.1679, provides, in pertinent part:

(1) An owner, partner, member, officer, director, trustee, employee, agent, broker, or other person, or a representative acting on the authority of that person that willfully or intentionally does any of the following is guilty of a misdemeanor punishable by a fine of not more than $15,000.00 or imprisonment for not more than 1 year, or both:

(a) Engages in this state in the business of a mortgage broker, mortgage lender, or mortgage servicer without a license or registration required under this act or acts as a loan officer in this state without a loan officer registration required under this act.

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(2) [I]f the commissioner finds that a licensee or registrant has violated, or directly or indirectly counseled, aided, or abetted in a violation, of this act or the rules promulgated under this act, the commissioner may do 1 or more of the following:

(a) Assess a civil fine against the licensee or registrant or a person who controls the licensee or registrant of not more than $3,000.00 for each violation, except that the licensee or registrant, or the person shall not be fined more than $30,000.00 for a transaction resulting in more than 1 violation, plus the costs of investigation.

(b) Suspend or revoke a license or registration or refuse to issue a license or renew a license or registration.

(c) Require the licensee or registrant or a person who controls the licensee or registrant to make restitution to each injured individual, if the commissioner finds that the violation of this act or a rule promulgated under this act resulted in an injury to 1 or more individuals.

(3) A civil fine assessed under subsection (2) may be sued for and recovered by and in the name of the commissioner and may be collected and enforced by summary proceedings by the attorney general. Each individual injured by a violation of this act or a rule is a separate violation. In determining under subsection (2) the amount of a fine, whether to suspend or revoke a license or registration, whether to refuse to issue or renew a license, or the amount of restitution, the commissioner shall

> consider the extent to which the violation was a knowing and willful violation, the extent of the injury suffered because of the violation, the corrective action taken by the licensee or registrant to ensure that the violation will not be repeated, and the record of the licensee or registrant in complying with this act. Any proceedings under this subsection are subject to the procedures of the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

Section 16(3) of the MBLSLA provides:

> A violation of a cease and desist order issued under this act is a violation of this act and the commissioner or the attorney general may take any action permitted under this act, including making application to the Ingham county circuit court to restrain and enjoin, temporarily or permanently, or both, a person from further violating the cease and desist order. MCL 445.1666(3).

It is therefore **ORDERED** that Respondent GreenPoint Capital immediately cease and desist from operating its website, www.greenpointcapital.org, and from conducting any other business activity regulated by the MBLSLA.

The Commissioner of OFIR specifically retains jurisdiction of the matter contained herein to issue such further order or orders as he may deem just, necessary, or appropriate so as to assure compliance with the law and protect the interest of the public.

II.

NOTICE OF OPPORTUNITY FOR HEARING

Section 16(2) of the MBLSLA provides:

> A person ordered to cease and desist shall be entitled to a hearing before the commissioner if a written request for a hearing is filed with the commissioner not more than 30 days after the effective date of the order. A hearing shall be conducted in accordance with the provisions of the

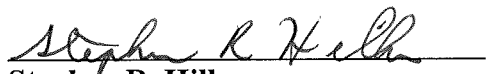
administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. MCL 445.1666(2).

Should Respondent wish to request a hearing relating to the Commissioner's Order to Cease and Desist, a hearing must be requested in writing within 30 days of the issuance of this Order. The request for a hearing must be addressed to:

Marlon F. Roberts, Enforcement Attorney
Office of Financial and Insurance Regulation
Ottawa State Office Building, Third Floor
611 West Ottawa Street
Lansing, Michigan 48909

Please be advised that any statements made are voluntary and may be used in any proceeding that may be held. If a hearing is requested, Respondent has the right, at Respondent's expense, to legal representation at the hearing. A licensed attorney must represent respondents that are corporations. Any contact with OFIR shall be directed to Marlon Roberts, Enforcement Attorney, at (517) 335-4593.

OFFICE OF FINANCIAL AND INSURANCE REGULATION



Stephen R. Hilker,
Senior Deputy Commissioner