

Terms Completed

ORDER SUMMARY – Case Number: C-18-2429

Name: NewRez LLC d/b/a Shellpoint Mortgage Servicing f/k/a New Penn Financial, LLC

Order Number: C-18-2429-19-CO01

Effective Date: May 14, 2019

License Number: NMLS #3013

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$1,456.11		Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 05/07/2019
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessments	\$20,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 05/07/2019
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$20,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 05/07/2019
Cost of Prosecution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
No. of Victims:				

Comments: _____

1
2
3
4
5
6
7
8

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

9
10
11
12
13
14
15

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

No.: C-18-2429-19-CO01

CONSENT ORDER

16
17
18
19
20
21
22
23
24

NEWREZ LLC d/b/a SHELLPOINT
MORTGAGE SERVICING, f/k/a NEW PENN
FINANCIAL, LLC, d/b/a SHELLPOINT
MORTGAGE SERVICING, NMLS #3013,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his
designee Richard St. Onge, Division of Consumer Services Acting Director, and NewRez LLC d/b/a
Shellpoint Mortgage Servicing (Respondent) by and through its attorney, Philip A. Italiano, and
finding that the issues raised in the above-captioned matter may be economically and efficiently
settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to Revised
Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the
Administrative Procedure Act, based on the following:

FINDINGS OF FACT

1.1 On or about June 1, 2011, Respondent obtained a license from the Department of
Financial Institutions of the State of Washington (Department) to conduct the business of a
Consumer Loan Company and continues to be licensed to date.

1.2 On or about January 8, 2018, through January 12, 2018, the Department conducted an
on-site servicing examination of Respondent at its branch office located at 75 Beattie Place #300,

1 Greenville, South Carolina. The examination included a review of the business practices of
2 Respondent as well as loan files for the period of October 1, 2015, through October 31, 2017.¹

3 **1.3** The results of the examination determined that Respondent submitted inaccurate
4 annual assessment reports for the 2015 and 2016 calendar years, which resulted in Respondent
5 underpaying its annual assessment fees for the 2015 calendar year and failing to pay its annual
6 assessment for the 2016 calendar year.

7 **CONCLUSIONS OF LAW**

8 **2.1** Based on the above Findings of Fact, Respondent violated RCW 31.04.155 by failing
9 to file accurate annual assessment reports for the 2015 and 2016 calendar years in accordance with
10 the Act.

11 **2.2** Based on the above Findings of Fact, Respondent violated RCW 31.04.085 by
12 underpaying its annual assessment for the 2015 calendar year, and failing to pay its annual
13 assessment for the 2016 calendar year in accordance with the Act.

14 **AGREEMENT AND ORDER**

15 The Department and Respondent have agreed upon a basis for resolution of the Findings of
16 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
17 RCW 34.05.060, Respondent and the Department agree to entry of this Consent Order and further
18 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
19 Consent Order.

20 Based upon the foregoing:

21
22
23

¹ During the relevant time period, Respondent was conducting business under its former entity name, New Penn
24 Financial, LLC. Respondent amended its entity name to NewRez LLC on or about January 7, 2019.

1 A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
2 of the activities discussed herein.

3 B. **Waiver of Hearing.** It is AGREED that Respondent hereby waives any right it has to a
4 hearing and any and all administrative and judicial review of the issues raised in this matter or the
5 resolution reached herein.

6 C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the
7 matters alleged herein and agree that Respondent neither admits nor denies any wrongdoing by its
8 entry.

9 D. **Amended Assessment.** It is AGREED that Respondent shall provide the Department
10 with a complete amended Annual Assessment Report, including all the required supporting
11 documentation, for the 2015 calendar year. Respondent will provide the report and documentation
12 required under this paragraph no later than seven calendar days after the entry of this Consent Order.

13 E. **Assessment Fees.** It is AGREED that Respondent shall pay \$20,000 to the
14 Department for its annual assessments for the 2015 and 2016 calendar years.

15 F. **Financial Literacy Payment.** Pursuant to RCW 31.04.093(7), the Director may
16 accept payments to the Department for purposes of financial literacy and education programs
17 authorized under RCW 43.320.150. Accordingly, in further compromise and in consideration of the
18 additional terms set forth herein, it is AGREED that upon entry of this Consent Order Respondent
19 shall pay \$20,000 to the Department for purposes of financial literacy and education programs
20 (Financial Literacy Payment). It is further AGREED that Respondent shall not advertise the
21 Financial Literacy Payment.

22 G. **Investigation Fee.** It is AGREED that Respondent shall pay an investigation fee to
23 the Department in the amount of \$1,456.11. The Assessment Fees, Financial Literacy Payment, and

1 Investigation Fee shall be paid in the form of a cashier’s check made payable to the “Washington
2 State Treasurer” upon entry of this Consent Order.

3 **H. Records Retention.** It is AGREED that Respondent, its officers, employees, and
4 agents shall maintain records in compliance with the Act and provide the Director with the location
5 of the books, records and other information relating to Respondent’s consumer loan business, and the
6 name, address and telephone number of the individual responsible for maintenance of such records in
7 compliance with the Act.

8 **I. Non-Compliance with Order.** It is AGREED that Respondent understands that
9 failure to abide by the terms and conditions of this Consent Order may result in further legal action
10 by the Director. In the event of such legal action, Respondent may be responsible to reimburse the
11 Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

12 **J. Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into
13 this Consent Order, which is effective when signed by the Director’s designee.

14 **K. Completely Read, Understood, and Agreed.** It is AGREED that Respondent’s
15 representative has read this Consent Order in its entirety and fully understands and agrees to all of the
16 same.

17 **L. Authority to Execute Order.** It is AGREED that the undersigned authorized
18 representatives have represented and warranted that they have the full power and right to execute this
19 Consent Order on behalf of Respondent.

20 //

21 //

22 //

23 //

1 **RESPONDENT:**

NewRez LLC

2 By:

3 /a/
4 Bruce Williams
CEO

4-29-19
Date

6 Approved for Entry:

7 By:

8 /s/
9 Philip A. Italiano, Attorney ID 206996
Attorney for Respondent

4-29-19
Date

10 **DO NOT WRITE BELOW THIS LINE**

11 THIS ORDER ENTERED THIS 14th DAY OF MAY, 2019.

13 /s/
14 RICHARD ST. ONGE
Acting Director
15 Division of Consumer Services
16 Department of Financial Institutions

17 Presented by:

18 /s/
19 RACHELLE VILLALOBOS
Financial Legal Examiner

20 Approved by:

22 /s/
23 STEVEN C. SHERMAN
Enforcement Chief