

**IN THE MATTER OF:
DFIN SOLUTIONS, LTD.**

**And
EASY DIRECT SOLUTIONS
Respondents.**

BEFORE THE MARYLAND

COMMISSIONER OF

FINANCIAL REGULATION

CFR No.: 2017-0024

ORDER FOR CIVIL PENALTIES AND REFUNDS

On January 9, 2019, the Deputy Commissioner of Financial Regulation (“Deputy”) issued an Order to Cease and Desist to Respondents that advised Respondents that the Commissioner of Financial Regulation (“Commissioner”) may impose civil penalties or take any other action against Respondents as authorized by Md. Code Ann., Fin. Inst. (“FI”) §§2-115(b), 11-517(c), and 11-523(b). The Order to Cease and Desist became final on January 29, 2019.

On April 11, 2019, the Deputy issued a Notice of Intended Agency Action to Respondents, notifying Respondents that the Commissioner intended to issue an order requiring Respondents to take affirmative action to correct the violations of law including restitution of money to any person aggrieved by Respondents’ actions and/or to issue a civil penalty order, and advised Respondents that the Commissioner had scheduled a hearing on May 29, 2019, prior to issuing an order.

Before ordering a penalty, pursuant to FI §§2-115(c) and 11-517(e), the Commissioner must consider the following factors in determining the amount of the penalty to be imposed on Respondents:

- (1) The seriousness of the violation;
- (2) The good faith of the violator;
- (3) The violator's history of previous violations;
- (4) The deleterious effect of the violation on the public and the industry involved;
- (5) The assets of the violator; and
- (6) Any other factors relevant to the determination of the financial penalty.

On May 29, 2019, the Commissioner held the hearing. Respondents did not attend the hearing. Proof of proper service of the Notice of Intended Agency Action on Respondents was admitted into evidence at the hearing.

At the hearing, evidence was admitted showing that: (1) Respondents were not licensed in Maryland to make mortgage loans; (2) Respondents were not registered with the State Department of Assessments and Taxation as required by Maryland law to do business in Maryland; (3) DFIN Solution LTD. (“DFIN”) solicited mortgage loans from Maryland consumers via its website; (4) as a result of this solicitation, on August 23, 2016, Consumer A submitted an application for a \$128,000 mortgage loan to DFIN for a mortgage loan; (5) on August 30, 2016, DFIN sent an invoice to Consumer A that required a payment of \$358 to Destaro Services LLC (“Destaro”) for “file packaging cost” in reference to the mortgage loan application; (6); on September 9, 2016, DFIN sent an invoice to Consumer A that required a payment \$650 to Destaro for “file packaging cost” in reference to the mortgage loan application; (7) Consumer A deposited \$5,062 into an account at TD Bank in order to obtain a mortgage loan from DFIN; (8) on September 9, 2016, Consumer A signed a \$128,000 promissory note that

contained a stamp "LOAN APPROVED" payable to DFIN; (9) on September 27, 2016, DFIN sent an invoice to Consumer A that required a payment of \$12,000 to Destaro for "security authentication amount" in reference to the mortgage loan application; (10) on September 27, 2016, DFIN sent an Assurance Letter to Consumer A that informed Consumer A that: (a) the \$128,000 loan amount had been approved, and in order to further process the file, (b) Consumer A was required to deposit \$12,000 including taxes as "Security Authentication Charges" to DFIN according to the terms and conditions of Dave Investment Group, (c) the loan would be funded within 48 hours after submission of the \$12,000 and \$14,784 would be refunded to Consumer A along with the loan amount, and (d) in case the company failed to provide the loan, Consumer A would receive a refund of 100% of the payment; (11) on September 29, 2016, Consumer A sent a Cancellation Form that stated Consumer A's intent to cancel the loan application to DFIN, on which Consumer A hand wrote that he expected to receive a full refund of \$5,062 immediately; (12) DFIN did not cancel the transaction and did not refund \$5,062 to Consumer A; (13) on March 15, 2017, Easy Direct Solutions ("Easy") sent a Payment Security Note (attached to which was a cashier's check in the amount of \$133,664 and listed the remitter as Dave Investment Group, and an unsigned loan application containing Consumer A's information) to Consumer A that stated: (a) Consumer A's loan application for the file had been sanctioned and the \$128,000 loan amount had been approved by Dave Investment Group, (b) Consumer A was required to send a \$1,000 cashier's check as "USPS Charges and File Handling Charges" to Easy Direct Solutions US LLC according to the terms and conditions of Dave Investment Group, (c) Consumer A's \$128,000 loan and refundable amount of \$5,664 would be disbursed within 24 business hours after receipt of the cashier's check, and (d) if the company failed to provide the

loan amount, Consumer A would receive a refund of 100% of Consumer A's payment; and (14) Consumer A never applied for a loan from Easy.

Considering these factors, the Commissioner has determined that: (1) Respondents violations are serious in their severity; (2) Respondents' actions and conduct showed the absence of good faith; and (3) Respondents' actions had a deleterious effect on the public and industry involved. The Commissioner is unable to consider the Respondents' assets because the Commissioner was not presented with any documentation regarding Respondents' assets. Having considered these factors, the Commissioner concludes that civil penalties in the amounts ordered below are warranted.

Pursuant to FI §11-517(c)(1)(ii), the Commissioner may impose a civil penalty not exceeding \$5,000 for each violation of Subtitle 5 or regulations adopted thereunder. Pursuant to Md. Code Ann., Real Prop. §7-404.1(a), the Commissioner may enforce the provision of Subtitle 4 by exercising his authority under FI §2-115. Pursuant to FI §2-115(b)(3), the Commissioner may impose a civil penalty not exceeding \$1,000 for each violation of a law, regulation, or rule over which the Commissioner has jurisdiction.

Pursuant to Md. Code Ann., Com. Law ("CL") §12-125(d), if a lender fails to comply with the requirements of CL §12-125, the lender is subject to the penalties under FI §11-523. Pursuant to FI §11-523(b), any unlicensed person who is not exempt from licensing under Subtitle 5 who makes a loan in violation of Subtitle 5 may only collect the principal amount of the loan and may not collect any interest, costs, finder's fees, broker fees, or other charges with respect to the loan. Pursuant to FI §11-517(c)(1)(i)(2), the Commissioner may enforce the provisions of Md. Code Ann., Com. Law Title 12 by requiring a violator to take affirmative

action to correct the violation including restitution of money to any person aggrieved by the violation.

It is by the Commissioner of Financial Regulation, hereby:

ORDERED that Respondents shall pay a civil penalty of \$5,000 to the Commissioner as detailed in Exhibit "A" attached hereto, within sixty (60) days of the date of this **Order for Civil Penalties and Refunds**; and

FURTHER ORDERED that Respondents shall pay Restitution as detailed in Exhibit "B" attached hereto in the amount of \$5,062 to Consumer A by mailing a check via First Class Mail, postage prepaid, to the most recent address of Consumer A known to Respondents. If mailing is returned as nondeliverable, Respondents shall promptly notify the Commissioner in writing for further instruction as to the means of making the payment. Upon making the required payment, Respondents shall furnish a copy of the front and back of each cancelled check for the payment to the Commissioner as evidence of having made payment, within sixty (60) days of the date of this **ORDER**;

FURTHER ORDERED that Respondents shall send all correspondence, notices, civil penalties, and other required submissions to the Commissioner at the following address: Commissioner of Financial Regulation, 500 N. Calvert Street, Suite 402, Baltimore, Maryland 21202, Attention: Proceedings Administrator; and

FURTHER ORDERED that the records and publications of the Commissioner of Financial Regulation shall reflect this decision.

Respondents may have the right to file a petition for judicial review; however filing of a petition for judicial review does not automatically stay the enforcement of this order.

**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION**

Date: 6/12/19


By: 
Antonio P. Salazar
Commissioner of Financial Regulation

EXHIBIT "A"

CIVIL PENALTIES

Violation	Penalty Statute	Statutory Penalty Amount	# Violations	Penalty Imposed
CL §12-106(b)	FI §2-115(b)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
CL §12-125(b)	FI §2-115(b)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
FI §11-504	FI §11-517(c)(1)(ii)	</\$5,000 each violation	1	\$1,000
COMAR 09.03.06.05	FI §11-517(c)(1)(ii)	</\$5,000 each violation	1	\$1,000
RP §7-404.1(a)	FI §2-115(b)	First - \$1,000 Subsequent - </\$5,000	1	\$1,000
TOTAL				\$5,000

EXHIBIT "B"

RESTITUTION

Consumer A	[REDACTED]	\$5,062.00
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