



Massachusetts Division of Banks

Administrative Enforcement Actions

1st Quarter 2017

Depository & Non-Depository Entities

Released: April 2017

Enforcement Actions

For a complete list of all public orders by year, use the following link: [Massachusetts DOB Enforcement Actions](#). Additional information can be found at The Division of Banks [website](#).

| Institution's/Individual's Name | License Type | Date of Order | Order Type | Link to Order |
|---------------------------------|--------------|-------------------|--------------------------|----------------------|
| New City Funding Corp. | MV | March 24, 2017 | Consent Order | Link |
| Direct Finance Corp. | MB | February 24, 2017 | Final Order and Decision | Link |

License Types – FT: Foreign Transmittal Agency; **MC:** Mortgage Company (Lender/Broker); **MLO:** Mortgage Loan Originator; **MV:** Motor Vehicle Sales Finance Company

The Division of Banks entered into one Consent Orders and one Proposed Order and Decision during the first quarter of 2017:

New City Funding Corp. entered into a **Consent Order** to resolve allegations that it had utilized starter interrupt devices to automatically disable vehicles prior to the expiration of the borrower's right to cure period and had assessed interest and/or late fees after the date of repossession.

Direct Finance Corp. was issued a Temporary Order to Cease and Desist Order for deceptive advertising on September 17, 2015 and this Final Order and Decision replaces that temporary order.

The Division terminated the following Consent Orders:

New England Regional Mortgage Corporation: the Consent Order was terminated on January 18, 2017.

National Capital Mortgage: the Consent Order was terminated on March 6, 2017.

Penalties & Reimbursements

Administrative Penalties

The Division collected a total of \$465,000.00 in administrative penalties.

Consumer Reimbursements

The Division reimbursed \$15,286.88 to affected consumers.

Other News & Updates

In response to requests for additional guidance from industry representatives, the Division issued a Self-Assessment Guide to CRA (Community Investment) for Mortgage Lenders in January 2017. This informative Guide is posted on the Division's website and accessible via this [here](#).

State banking regulators, in conjunction with the Conference of State Bank Supervisors (CSBS), have developed a new BSA/AML Self-Assessment Tool for the banking industry to help manage new and evolving risks associated in this area. The Division distributed the tool to Massachusetts depository institutions in January 2017 and it is available on the CSBS website at [link](#).