



## Massachusetts Division of Banks

# Administrative Enforcement Actions

### 4<sup>th</sup> Quarter 2016

#### Depository & Non-Depository Entities

Released: January 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
Westlake Services, LLC, d/b/a Westlake Financial Services	MV	December 20, 2016	Consent Order	<a href="#">Link</a>
Sage Bank		December 13, 2016	Consent Order	<a href="#">Link</a>
Century Union Services, LLC, d/b/a Century Union	FT	November 10, 2016	Order to Show Cause and Notice of Right to a Hearing	<a href="#">Link</a>
HG International Co. Inc., d/b/a Chang Express	FT	October 12, 2016	Consent Order	<a href="#">Link</a>
State Cap Auto Finance, Inc.	MV	October 10, 2016	Consent Order	<a href="#">Link</a>
<b>License Types – FT:</b> Foreign Transmittal Agency; <b>MC:</b> Mortgage Company (Lender/Broker); <b>MLO:</b> Mortgage Loan Originator; <b>MV:</b> Motor Vehicle Sales Finance Company				

The Division of Banks entered into **four** Consent Orders and **one** Order to Show Cause and Notice of Right to a Hearing during the fourth quarter of 2016:

**Westlake Services, LLC (d/b/a Westlake Financial Services)** entered into a **Consent Order** to resolve allegations that it had purchased motor vehicle retail installment contracts with annual percentage rates (APRs) in excess of the 21% limit established by Massachusetts General Laws and must immediately cease assessing repossession “close” fees on Massachusetts accounts with defaults that are cured prior to repossession.

**Sage Bank** entered into a **Consent Order** with the Division and FDIC that replaced the **December 19, 2014 Consent Order**.

**Century Union Services, LLC (d/b/a Century Unions)** was issued an **Order to Show Cause and Notice of Right to a Hearing** for failure to demonstrate the financial responsibility, character, reputation, integrity, and general fitness to maintain a foreign transmittal agency license.

**HG International Co. Inc. (d/b/a Chang Express)** entered into a **Consent Order** to develop, implement and maintain risk-based policies, procedures, and controls designed to identify and minimize risks associated with foreign agents and develop, implement and maintain an effective overall compliance management system and anti-money laundering program.

**State Cap Auto Finance, Inc.** entered into a **Consent Order** to resolve violations related to excessive and inaccurate fees or pay off amounts and reimburse those who were overcharged. The order also requires State Cap to conduct a review of all repossessions where the Right to Cure notice was not provided and reimburse all fees on those accounts. State Cap agreed to submit a payment in the amount of fourteen thousand dollars (\$14,000.00).

The Division terminated the following Order:

**Prospect Mortgage LLC:** Consent Order was terminated on October 5, 2016

**CrossCountry Mortgage, Inc.:** Consent Order was terminated on October 26, 2016

## Penalties & Reimbursements

### Administrative Penalties

The Division collected a total of **\$396,000.00** in administrative penalties.

### Consumer Reimbursements

The Division reimbursed **\$20,136.08** to affected consumers.

## Other News & Updates

In light of the passage in November of a ballot question in the Commonwealth to authorize a regulatory scheme to allow for the legal operation of marijuana-related businesses, the Division posted on its website informational guidance about banking marijuana-related businesses in Massachusetts. This document summarizes the current guidance related to providing financial services to marijuana-related businesses issued by the U. S. Department of Justice and the Financial Crimes Enforcement Network (FinCEN): [Link](#).