

COMMONWEALTH OF MASSACHUSETTS

Suffolk, SS.

COMMISSIONER OF BANKS
MORTGAGE LENDER AND
MORTGAGE BROKER
LICENSING
Docket No. 2011-050

_____)	
In the Matter of)	
PEOPLE’S CHOICE MORTGAGE, INC.)	ORDER SUSPENDING
Randolph, Massachusetts)	MORTGAGE COMPANY
)	LICENSE
Mortgage Broker License No. MC2045)	
)	
_____)	

The Commissioner of Banks (“Commissioner”) hereby issues the following ORDER SUSPENDING MORTGAGE COMPANY LICENSE MC2045 (“Order”) to People’s Choice Mortgage, Inc. (“People’s Choice Mortgage, Inc.” or the “Licensee”), with its main address located at 420 North Main Street, Randolph, Massachusetts, pursuant to the provisions of Massachusetts General Laws chapter 255E and in accordance with the provisions of Massachusetts General Laws chapter 30A, based upon the failure of the Licensee to file timely reports, schedules, or applications, and/or to pay lawfully prescribed fees.

1. The Division of Banks (“Division”), through the Commissioner, has jurisdiction over the licensing and regulation of persons and entities engaged in the business of a mortgage lender and mortgage broker in Massachusetts pursuant to Massachusetts General Laws chapter 255E, section 2.

2. The Division, through the Commissioner, also has jurisdiction over the licensing and regulation of persons engaged in the business of a mortgage loan originator in Massachusetts pursuant to Massachusetts General Laws chapter 255F, section 2.

3. People's Choice Mortgage, Inc. is, and at all relevant times has been, a Massachusetts licensed mortgage lender and mortgage broker doing business in the Commonwealth.

A. Failure to Submit Financial Statements as Required

4. The Division's regulation 209 CMR 42.03(2)(b)3 states:

Renewal Applications. Within 90 days of the close of its fiscal year, an Applicant for license renewal shall submit financial statements for the preceding fiscal year that have been **audited** by an independent certified public accountant and such other financial information as the Commissioner may require. [Emphasis supplied.]

5. The Division's regulation 209 CMR 42.06(2)(b)3 states:

Renewal Applications. Within 90 days of the close of its fiscal year, an Applicant for mortgage broker license renewal shall submit financial statements for the preceding fiscal year that have been **audited** by an independent certified public accountant and such other financial information as the Commissioner may require. [Emphasis supplied.]

6. On or about October 29, 2010, the Division sent detailed instructions to all licensed mortgage brokers and mortgage lenders regarding the 2011 license renewal process.

7. The license renewal instructions notified each recipient that by March 31, 2011, all mortgage lender and mortgage broker licensees were required to remain in compliance with 209 CMR 42.03 and 209 CMR 42.06, respectively, including the

requirement to submit the audited or reviewed financial statements, as determined by the type of license(s) held, within ninety (90) days of the end of a licensee's fiscal year end.

8. On or about April 11, 2011, the Division sent a reminder notice to all licensed mortgage brokers and mortgage lenders regarding the 2011 license renewal requirements.

9. On or about April 11, 2011, the Division set deficiencies in NMLS regarding the outstanding 2011 renewal requirements.

10. As of the date of this Order, the Licensee has failed to provide the required financial statements to fulfill the Division's license renewal requirements.

B. Failure to File the Massachusetts Corporation (or Foreign Corporation) Annual Report

11. Massachusetts General Laws chapter 156D, section 16.22 states:

(a) Each domestic corporation, and each foreign corporation authorized to transact business in the commonwealth, shall deliver to the secretary of state for filing an annual report that sets forth:

(1) the name of the corporation and the state or country under whose law it is incorporated;

(2) the address of its registered office and the name of its registered agent at that office in the commonwealth;

(3) the address of its principal office;

(4) the names and business addresses of its directors, officers required by section 8.40(a), and chief executive officer and chief financial officer, if different;

(5) A brief description of its activities in the commonwealth.

- (6) the total number of authorized shares, itemized by class and series, if any, within each class;
 - (7) the total number of issued and outstanding shares, itemized by class and series, if any, within each class; and
 - (8) the fiscal year of the corporation.
- (b) Information in the annual report shall be current as of the date the annual report is executed on behalf of the corporation.
 - (c) The annual report shall be delivered to the secretary of state within 2 1/2 months after the end of the fiscal year of the corporation.

12. The license renewal instructions issued by the Division on October 29, 2010, January 20, 2011, and April 22, 2011, and deficiencies set in NMLS on April 11, 2011, as described above, also notified all licensed mortgage brokers and mortgage lenders of the requirement that all licensees were required to submit to the Secretary of the Commonwealth the applicable Massachusetts Corporation (or Foreign Corporation) LLC Annual Report (collectively, the "Corporate Annual Report") within two and one half months of the end of People's Choice Mortgage, Inc.'s fiscal year end.

13. As of the date of this Order, the Licensee has failed to file a 2010 Corporate Annual Report.

NOW, THEREFORE, People's Choice Mortgage, Inc.'s mortgage company license MC2045
is hereby suspended, effective immediately.

BY ORDER AND DIRECTION OF THE COMMISSIONER OF BANKS.

Dated at Boston, Massachusetts, this _____ day of _____, 2011.

By: _____

David J. Cotney
Commissioner of Banks
Commonwealth of Massachusetts

CERTIFICATION OF SERVICE

I, _____, hereby certify that a copy of the foregoing Order Suspending Mortgage Broker License, Docket Number 2011-050, was served upon the Licensee, People's Choice Mortgage, Inc., located at 420 North Main Street, Randolph, MA 02368 by certified mail 7010 3090 0003 1957 0614, return receipt requested and by electronic mail.

This _____ day of _____, 2011.

Division of Banks