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SEP 8, 2015

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

CHECK NO. [REDACTED]  
AMT. \$1,000.00  
PROCESSOR [REDACTED]

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE COMMISSIONER  
OF INSURANCE

IN THE MATTER OF THE LICENSURE  
OF NEW PENN FINANCIAL, LLC  
DOING BUSINESS AS SHELLPOINT  
MORTGAGE SERVICING  
PERMIT NUMBER: 111880

VOLUNTARY SETTLEMENT  
AGREEMENT

NOW COME NEW PENN FINANCIAL, LLC doing business as SHELLPOINT  
MORTGAGE SERVICING (hereafter "Collection Agency") and the North Carolina Department  
of Insurance (hereafter "Department"), and hereby enter into the following Voluntary Settlement  
Agreement (hereafter "Agreement"):

WHEREAS, Collection Agency is a limited liability company organized and existing  
under the laws of the State of Delaware; and

WHEREAS, Collection Agency does business under the name of Shellpoint Mortgage  
Servicing; and

WHEREAS, the Department has the authority and responsibility for enforcement of the  
provisions of Chapter 58 of the North Carolina General Statutes applicable to collection agencies  
and the collection agency business; and

WHEREAS, North Carolina law requires a collection agency to obtain and maintain a  
separate permit issued by the Department for each location at which the agency desires to carry  
on a collection agency business; and

WHEREAS, Collection Agency has one location that requires a permit from the  
Department; and

WHEREAS, pursuant to N.C. Gen. Stat. §58-70-5 and N.C. Gen. Stat. §58-70-35, the  
Department issued a permit to Collection Agency that expired on June 30, 2015; and

WHEREAS, N.C. Gen. Stat. §58-70-10 provides that any person, firm, corporation, or  
association desiring to renew a permit issued pursuant to N.C. Gen. Stat. §58-70-5 shall make  
application to the Commissioner of Insurance no less than 30 days prior to the expiration date of  
the then current permit; and

WHEREAS, Collection Agency failed to submit the collection agency permit renewal application and fee required by the June 1, 2015 permit renewal deadline in violation of N.C. Gen. Stat. §58-70-10; and

WHEREAS, Collection Agency has now completed and submitted its permit renewal application with supporting documents and the required renewal fee; and

WHEREAS, pursuant to N. C. Gen. Stat. §58-2-70(g), the Commissioner of Insurance and the Department have the express authority to negotiate "a mutually acceptable agreement with any person as to the status of the person's license or certificate or as to any civil penalty or restitution;" and

WHEREAS, the parties to this Agreement desire to resolve this matter by agreement to avoid an administrative hearing regarding this matter; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Agreement;

NOW, THEREFORE, in exchange for, and in consideration of the promises and agreements set out herein, the Department and Collection Agency hereby agree to the following:

1. Immediately upon signing this agreement, Collection Agency shall pay a civil penalty of **One Thousand Dollars (\$1,000.00)** to the Department. The form of payment shall be certified check, cashier's check or money order. The check or money order for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance." Collection Agency shall remit the civil penalty by certified mail, return receipt requested, to the Department along with the signed original of this agreement. The civil penalty and the signed Agreement must be received by the Department no later than September 25, 2015. The civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of the public schools.
2. Collection Agency, and all of its present and future locations, shall comply with all provisions of Chapter 58 of the North Carolina General Statutes and Title 11 of the North Carolina Administrative Code that are applicable to it.
3. Collection Agency enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter. Collection Agency understands that it may consult with an attorney prior to entering into this Agreement.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner of Insurance. Collection Agency understands that N. C. Gen. Stat. §58-70-40(c)(6) provides that a collection agency's permit may be



revoked if a partner, proprietor or officer of the collection agency has violated or refused to comply with an Order of the Commissioner.

5. This Voluntary Settlement Agreement constitutes a complete settlement of all administrative penalties against Collection Agency for the acts, policies or practices expressly addressed in this Voluntary Settlement Agreement. Except as to the acts, policies or practices expressly addressed herein, this Agreement does not in any way affect the Department's disciplinary power in any future examination of Collection Agency, or in any other complaints involving Collection Agency. In the event that Collection Agency or any of its present or future locations fail to comply with this Agreement or otherwise fail to comply with the laws and rules applicable to it, the Department may take any administrative or legal action it is authorized to take.

6. This Agreement, when finalized, will be a public record and is not confidential. The Department is free to disclose the contents of this agreement to third parties upon request or pursuant to any law or policy providing for such disclosure. Any and all permits issued by the Department to Collection Agency shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement.

7. Collection Agency understands and agrees that if a state or federal regulator other than the Department has issued a permit or license to Collection Agency, that regulator may require Collection Agency to report this administrative action to it. Collection Agency understands and agrees that the Department cannot give Collection Agency legal advice as to the specific reporting requirements of other state or federal regulators.

8. This Agreement shall become effective when signed by Collection Agency and the Department.

NEW PENN FINANCIAL, LLC  
Doing business as SHELLPOINT  
MORTGAGE SERVICING

By

Name: Jerry Schiano  
Title: CEO/President

Date: 8/26/2015

The North Carolina Department of Insurance

By

Angela K. Ford  
Senior Deputy Commissioner

Date: 9-10-15

